

Milton Planning & Zoning Commission Meeting
Milton Library
Tuesday, April 1, 2009
7:00 p.m.

1. Virginia Weeks called the meeting called to order at 7:00 p.m.
2. Roll call of Members:
 - Michael Filicko
 - Ted Kanakos
 - Virginia Weeks
 - Louise Frey

 - Not Present:
 - Al Perkins (Live in Cannery Village and had to recuse himself
 on advice from Town Solicitor)
 - Ed Kost (Live in Cannery Village and had to recuse himself)
 on advice from Town Solicitor)
 - Gene Steele
3. Changes, additions, corrections or deletions to the Agenda

Virginia Weeks: I would like to switch items a and b on the agenda. The first item is the revision of portion of the Master Plan for Cannery Village, which will take a great deal of time. I think the second item is the site plan for a proposed office expansion, because this is going to be an easy deal and just get it out of the way.

Louise Frey: I make a motion to approve the Agenda, as corrected.

Ted Kanakos: Second.

Virginia Weeks: All in favor say "Aye". All opposed. Motion carried. There are no more additions or corrections to the agenda.

Virginia Weeks noted that before starting the Public Hearing she wanted to say that Michael Filicko is attending his last Planning & Zoning Commission meeting. He's moving over to the Historic District and at this time I would like to take a moment to say thank you Mike. He's been on the Board for 12 long years.

Michael Filicko said thank you Ginny.

Virginia Weeks said we are deeply indebted to you for your service. Thank you. At the same time, I would like to recognize Dick Grieg, in the back. Although not yet nominated by the Mayor, I understand that you are the proposed nominee, and that will happen next Monday. I asked Mr. Grieg to be here because should there be a spillover or a second reading, we need a quorum and Mr. Grieg will have been here and observed the entire meeting. That allows him to replace Mr. Filicko without any procedural problems. At this time we will open the Public Hearing. We will ask the Applicants to make a presentation and when they are

done with their presentation we will go to the public. So, if you want to begin please.

4. Presentation by Applicant Dogfish Head Brewery:

Mark Dunkle: I am an attorney with the law firm of Barkowski, Guerke and Swayze, 116 West Water Street, Dover, DE: I am really proud to be here on behalf of the Applicant, Dogfish Head. To my far right is Mr. Nicholas Benz who is the Chief Financial Officer of Dogfish Head and I like to say he is Mr. Dogfish Head. Next to me is Mr. Greg Moore, Principle Engineer with Becker Morgan Group; Mr. Bob McLeish, contractor, is standing over there against the wall. There is a presentation that the applicant does have tonight and it is sort of a comprehensive presentation and I understand that you have divided up the agenda items, but I think we would like to go through the presentation part, so you get the full picture and I understand how you are going to move forward. Thank you. I really want to keep my comments brief, which is always a lie when a lawyer says that. I'll try as best I can. We are pleased to be here for this expansion application. As you know, it's a 7 Phase Application and a Master Plan Expansion. I think probably some of the most important points that I want to briefly make are that this property is in the Light Industrial Zone. In the Light Industrial Zone one of the first what's called legally permitted uses is a brewery. Basically the Zoning Code says breweries should go here. That's what your Light Industrial Code says. In the design that you are going to review tonight the form and the function of this property is a brewery. We're not camouflaging it to say its townhouses or it's a store; it is a brewery. The features of this facility say it's a brewery. You'll go through the detail and you'll see why things are in a certain location; partly for the function of the product. The way things flow through this facility are partly dictated by where they are located; but also the appearance is intentional to say to the world; this is a brewery. This is not just a brewery that produces beer and ships it out. It's the destination; it has a retail value. If you have ever been to Dublin, the number one tourist attraction in Dublin is the Guinness Brewery. It's centered in St. James Gate; it's on the hop on hop off tour, if you've ever been there and at the end of the tour you get to rise to a tower and in the 360° tasting room, you can look out over Dublin and sip their finest. The Dogfish Head Brewery in Milton is comparable to that facility. This beer travels around the country; their products travel around the world; people can buy Dogfish Head at any place; but they still come to Milton to see where it's made; just like the millions go to Dublin to see where the Guinness is made. They don't have to do that to get the beer; you can go anywhere. So you see in this picture of this elevation that I'm pointing to, the color rendering, you see the office; which is also the retail; it's where we want the public to come; and you'll see the fermentation tanks to the outside; that says brewery. This is a brewery. If you've ever been to Hershey, PA, the heart of that town is a chocolate factory; it's not camouflaged to be something else; it's a factory. So we're here to first tell you that we're Light Industrial, we are a brewery; we're nothing other than that. It's tastefully done and it's done with a purpose and a theme and a business rationale that Mr. Benz is going to review with you. That's really all I wanted to say as far

as introductions. I know your attorney will give you guidance as the Chair will as this proceeds through, but I just wanted to make the point, yes it looks a brewery because that's part of its purpose. Yes, it smells like a brewery, already, right now; and will continue to. It's not going to really change. That's part of its purpose and that's expected of a facility in the Light Industrial Zone. What's nice about your ordinance in the LPD Ordinance, in the livable Delaware concept, is this is a place that people can walk to work; they can live near where they work and that's the whole idea. We embrace that and we hope that you appreciate that in your review of this facility. I didn't keep my promise and I'll ask Nick Benz to come up.

Nick Benz: I'm the CFO of Dogfish Head Craft Brewery. I've been with the company for about 6 years. What I want to do right now is just shed a little bit of light on what is Dogfish; you know who and what we are. We are a brewery; but where have we come from? Where are we going? What's our vision of this whole thing as you see all these fancy colored pictures up on the wall and the things that the Planning & Zoning Commission are considering here? Why are we going through all of this process? Quite simply, to summarize it, I would say everything we are attempting to do here is to make this brewery a first class destination and feature in the Town of Milton. First class in every regard; the employees we hire; the tourists that visit it; the way it looks to anybody that drives through this town, whether their destination was Dogfish or otherwise; we want this to be a great destination. As you all know, or maybe some of you know, because you've been here a heck of a lot longer than I have, this was a cannery. It was a functioning cannery; a very large one; the largest east of the Mississippi that I know of; some of the pictures of what it became after it being a cannery, it was giant; most of it fell, dilapidated, fell apart and there were only a few remaining buildings; one of which is where the WBOC Fox Building is and the other one is where we are. That's the only remaining evidence that this was every a cannery, besides the large coal tower that exists next to the building in Cannery Village. In its heyday it was huge; it had trucks; it had noise; it had towers; it had odors; it had everything imaginable; mostly as I hear from people who have been here a long time, unpleasant. We'd like to believe our business is a step in the direction of revitalizing what once was the perimeter of town and now taking something that was an eyesore as it sat dormant for decades and when we came into it; we've spent just over \$20,000,000 in the last 6 years alone since we moved into this facility in 2003; in an attempt to enhance the space to make it less of an eyesore and make it something that this town could be proud of. Sitting in front of you right now in various phases and in large stacks of paper, is another proposal in monetary numbers, \$10,000,000 just in the next 2 years alone; let alone the monies that will be necessary after that; of additional spending just over the next 2 years to accomplish these first few phases of expansion. That's a serious commitment on our part. It says we want to be here and we're proud of it. We have 600 to 1,000 tourists every single week in our summer season who visit the Town of Milton simply to see us. We count every single head and where they come from just for our mailing list purposes; of which there are over 30,000 people on our mailing list now. Those people make this a destination; they shop

in your stores; they patronize your businesses as they come through; whether it's a restaurant; or Irish Eyes for a drink; or our place as a destination. We're proud of that; we hope you are too. So, what are we proposing to do? We are proposing three things. One is we desperately need additional capacity, the number of tanks we have in place right now at the brewery get us through calendar year 2009 from a growth perspective. We've been growing at 50% to 100% every year since the year I joined 6 years ago; and prior to that I haven't been tracking the growth; but that's tremendous growth; we were a small company, we're still a small company, just trying to survive in a massive beer industry, let alone manufacturing, in general. What we do is we make beer. We need tanks in order to do that. We can not grow one barrel of beer, which is a measurement of beer; 31 gals to be exact into 2010 without the addition of tanks. If anybody has had, hopefully, the pleasure of joining us and visiting us for a tour, you will see that internally we are bursting at the seams and we have absolutely no room to grow. We have our brew house, our packaging lines, our tanks, our filters, our warehouses, our loading docks, every square inch is taken; so in addition to tanks, with this capacity will mean jobs, 26 to be exact, 2009 budget alone; 26 new jobs; 8 of which we have already hired. Those jobs mean office space. That office space is necessary to support the people. We have people doubled up in cubicles; we have people where we have ripped the doors off of closets, much like that bathroom and stuck a person or two in those, just because we have nowhere else to put them. We need conference room space and everything that goes with that. Finally, with additional capacity means from years ago and we have not been sending our wastewater to the town system, we land apply every single drop of diluted beer, which is our waste stream from that facility on to farmland as liquid fertilizer for irrigation purposes; we truck that out there and not one drop of it comes through the town system. Under those DNREC permits, and DNREC governs those, night operation is not permissible; only day time application is permissible under DNREC; and since we are a 24-hour operation we the ability to collect more gallons of diluted beer so that during the daytime hours we can truck it out to the farmland and accomplish that. If we can not store and dispose of our diluted beer, production will stop and that's exact opposite of a thriving business. We're in the business to make beer and sell it and not to not make beer and not sell it. So those are the three things were asking for. They're all critical; they're all important; they've all been well thought out; they've all been well engineered; and we're in front of you asking for support in expediting this growth. So what are some of the other economic benefits? I mentioned employees. We're going to hire 26 people on the budget this year. We have then another 5 to 10 employees, depending on the year over each year for the next 5 years, just to support what we're doing. Additional employees and additional revenue, means additional tax basis; it means additional gross receipt taxes; it means additional spending by our own employees and the vendors with which we do business in the Town of Milton that support all of your businesses. DEO has an old number that I latched onto a few years ago and I've sat in a few of these meetings over the years; it was a 10 to 1 economic impact. For every \$1 you spend in any community, when that \$1 gets spent and the person who received that \$1 turns

around and spends it for something they need and they turn around and spend it and so on and so forth – for every \$1 spent in a community there's a 10 to 1 increase. This year alone we're going to spend over \$30 million to grow it; part of this and to support our existing operations. That means at 10 to 1 for DEO's record, Dogfish has an economic value to all of the communities we service of \$300 million as it flows through; and at today's economy, you don't get too many of those kinds of stories now-a-days when you open up the newspaper. We're excited about that.

Virginia Weeks: How many employees do you currently have?

Nick Benz: We currently had, as of the beginning of this year 65; we're at just over 70 right now; physically in the building. That's just the brewery; we also have the restaurant down in Rehoboth; but that's separate. In addition to the employees, we also often get tourists that we have to turn away because for safety purposes we simply can't accommodate massive groups in our facility. We have to have a reservation system; reservations have to be made weeks in advance now; people who are coming here simply to experience what they've fallen in love with, which is our brands and the beers that we make. I want to make one point that I think Mark commented on earlier. Some of these pictures show you the inside and you can see how there is no space; I forgot I was supposed to make that point. There is one thing I want to make clear is that there is nothing proposed in front of you that has anything to do with our expansion that will a) increase the noise in this facility; and, b) increase any odors related to this facility. There is not one project proposed to you today that will increase noise or increase odor; in fact, what we're doing is trying to minimize that as part of the plans here. That's an important point to make. Why do we need the tanks? I already commented on our need because of growth. We're a small company and simply to survive, we need to react to market conditions, as anyone that is a small business owner knows. As an opportunity arises if you don't cease that opportunity, someone else will; and we're no different. So as opportunities exist and we try to take advantage of those opportunities, that often means we need to make more beer; more beer means more tanks; I like to use the analogy of my grandpa's chili recipe; and I'm sure everybody has a family member that has that awesome family recipe. They never had that recipe written down. They throw a bunch of ingredients in a pot and based on their nose and their tongue alone, they can reproduce that recipe perfectly every single time; and it's fantastic; but try to take grandma's recipe; her chili recipe and serve 2,000 students at the high school auditorium or in the cafeteria; it simply doesn't work unless you have bigger pots, more people helping you and the way you did it written down and recorded, which is the recipe. We're no different as a company, we once upon a time started with very small tanks, significantly smaller than these that are indoors right now and then we incrementally got larger and larger in tanks and now we're at the point where our entire facility is filled with 200/300 barrel tanks and these tanks propose that are going outside are 600 barrels. To simply be efficient and survive in the marketplace, we have to get bigger and scalable in what we do. It's that simple. So why do that tanks need to go outside? Why do they need to go where the main entrance is of the facility right next to the new offices? Two

reasons why and the first one is the most important. It is the single best engineered solution within our facility in order to accomplish from a process perspective what we do. To be efficient you want to start at one end of production and work your way one time and one time only through the facility until you end at the end. Brewing is at one end; cellaring, which involves these tanks, is in the middle; packaging and then into the warehouse and then out to the loading docks. Everything that we are doing on these pages accomplishes that, starting at this end with brewing, through the cellaring, filtration, packaging, warehouse, and eventually out these back loading dock doors, which is all proposed. It is the location closest to the quality department; it is the location closest to the cleaning department; it is the location that makes sense for where these tanks need to be. For process purposes that's first and foremost. The second reason is because it is the single best representation of what and who we are and what we do. We are a brewery. If anybody has been to York, PA and sees the York Bar Bell Guy spinning on top of the building or goes to the Strohmann Bread Factory up in the Pocono Mountains where there is a giant loaf of bread spinning on the roof or any auto manufacturing plant that has cars up in a glass monument at their main entrance; those are all attempts to showcase what they're proud to do in their trades. In our trade we make beer. When these 600 to 1,000 tourists come to visit us every week, similar to some pictures you see here, the one three things they want to see is big tanks, they want to see guys making the beer, and, they want to see people, those fast ballers, moving on a packaging line putting in the case boxes. They could care less about the shiny pipes and what a stagnant warehouse looks like; but that's what they get excited about. That is the showcase piece of what we want to do just like these few breweries around the country that do as well. Anybody that's been on a brewery tour has seen these; we're not recreating anything new. With that, these outside tanks have a corrugation effect to them; they look like a tin roof. Anybody see the bright purples and the bright blues and the bright greens, copper roofs that people build? There is a corrugation effect and that architectural element we've reproduced in our office designs; the offices are going to be built out of reclaimed whiskey oak and metal, because that's what we do. It's a juxtaposition of old technology wooden tanks and new technology metal tanks; and everything we do is trying to incorporate those designs because we're proud of that.

Virginia Weeks: Are those examples of the kind you're going to use?

Nick Benz: Yes. They're very much an example. I don't know the exact size they are, but that is 95% of an indication of what they will look like. This is the slight corrugation effect that I'm referring to. It's not a smooth type. It has a slight corrugation; like a ruffles potato chip.

Virginia Weeks: Is it a flat tank with a widow's walk on top so to speak; exactly like that?

Nick Benz: Our cat walk system will look a little bit different, but that's for the ability to go up and check gaskets and flanges on top. It is not meant for normal operation; that's just for maintenance purposes.

Virginia Weeks: And there will be flat pieces like that.

Nick Benz: Yes. Actually, these roofs are not flat; they may look flat in the picture, but there is a very slight dome to it. Those are the two reasons. One is for process purposes this is the place where it makes sense to be efficient, to be competitive and to survive in the marketplace as a smaller brewery, still trying to claw its way up and gain customers nationally; and the second reason is it is what we are and it is what we do and we want them there as a showcase piece. In this courtyard entrance with the bocce courts and the offices and the retail shopping portion of it and then the small café that will come down the road, as part of this; it is a well-designed courtyard entrance that showcases what we do. In summary, we spent, as I mentioned, \$20,000,000 so far, just in the last 6 years to try to turn something that once was an eyesore on the edge of town into something that we're proud of. We're proud of it; our employees are proud of it; 26 of the 65 at the end of the year and now 71 employees; 26 call Milton home and have a Milton address; some of which are in this room tonight and are here in support. That's over 40% of our employees work and support the Town of Milton; they're proud to be here and who knows how many of those 26 and the future hires are also going to choose to rent and/or buy homes in this town and support the businesses here. That's all I have right now. I'm going to turn it over to Greg who will provide just a few more details for you before we look forward to the questions. Thank you.

Greg Moore of Becker Morgan Group in Dover, DE: Just for information, Bob McLeish who is with Lighthouse Construction who is running our PowerPoint and myself, actually worked on this building to convert it from the original cannery into what it is today; so we've been working on this project for a number of years and are very proud of how it has turned out. Nick has told you that this slide really represents other breweries where tanks are prominent on the exterior of the facility; that's what we thought was an important component of a brewery and to actually show that at the front door we thought was a very good architectural feature for a brewery. A very unique community such as Cannery Village, this is actually the first building that was renovated, and this is a 96' tall silo and I point that out because that is part of the character of our neighborhood; that is part of the character of what is surrounding us and we think that the tanks that are surrounding the Dogfish Head Plant respect this; in fact, they are about half this height so they are not even as prominent as this feature that everybody sees every single day as they drive through part of Milton. This is actually the Master Plan and what we've done is that Dogfish Head has had the success because they make great beer; they are having great success in that and what we tried to do was tried to present to the Planning & Zoning Commission a forward-looking Master Plan that kind of created here's what we might be in maybe 5, 10 or 15 years and this is not all going to be put in today which is why we broke it down into so many phases. There are actually 9 different phases and we did that so that these pieces or components could be put in over the next few years. The first 2 phases, actually the first 3 phases, are the most eminent. The front door right off of Chestnut Street is right here and this is the office expansion that was moved to actually the first section. The tanks that we are speaking about are running right along the front of the building and notice that when you come in the

main door which is here you will see those tanks; and that's by design. If you look on the board you can see that office expansion is two-stories and the second story is fully office and the first story is where the tourists will come in and there will be a new area where they can sell their T-shirts and their products; there is also a small bar there where people can taste beer; very similar to what you see now; it's just going to be upgraded and made much better so that more people can come through and it will represent their brand much better. The other phases consist of the wastewater; probably not a great term; but we use that because it is a wastewater product from the creation of the beer inside the facility. That is actually called an agricultural material by DNREC; the reason it is called that is because it is highly sought after by farmers as a fertilizer and currently trucks take the material from 6 tanks that sit here; the tanks are 16' high; they take the same material today; it is discharged at farms and it is called land application. This means it is sprayed and used for fertilizer and farmers use it locally. As Nick said, this process is not going to increase odor or noise, because that process is already occurring. What we are doing in that phase, is adding a larger tank so that we can actually store more material so that when we create more beer in the process, we are able to discharge more of that fertilizer. That material is trucked away on a daily basis; the truck leaves the facility and heads to where it ultimately will go.

Virginia Weeks: Please discuss in your presentation what happens if there is a failure?

Greg Moore: If there is a failure in one of the tanks? First of all the tanks are completely water tight and there are 6 there now and we're adding one larger tank and the tank that we're adding is actually 48' tall and it will hold up to 67,000 gallons; the area that we have designated here is actually an excavation that exists and what we're doing is excavating the ground down and we're going to plant it with grass. What that will do is that depression in the ground that is there we will perfect that; plant it with grass; it will look like a meadow with a depression and if there were ever a failure in that tank, that material, by the way we have graded it, would end up in this depression. It's not fair to say it's a problem, because we're not trying to hold water, we're trying to have it as an emergency device in case something happens to the tank. In all likelihood, as an engineer, there is nothing going to happen to this tank. It's like saying the Town of Milton's water tower is going to fail and you're going to have water all over the ground. Very seldom, if ever, do you ever see that happen. The tank that is part of this proposal is actually a water grade tank and is designed to hold potable water so it is airtight and we do not expect any failures. The containment area is in a naturally segregated area; these are existing trees; there's a branch that runs through here and it's heavily wooded and you can see it here and we've tried to represent that with the graphic of the green. This is actually in the winter; but that area is naturally separated by the existing trees and the woods that are back there and when they grow in you will not see that tank, as much; and you won't see that depression that's grass, at all, because those trees will actually block it from the neighbors that live in that cul-de-sac. Are there any other questions on that tank?

Ted Kanakas: Trees are going to block a 48' tank?

Greg Moore: Partially the tank; to the height of the trees, they are probably... There actually are trees there.

Virginia Weeks: I was out there this past weekend and took a walk around there and I thought, my God, this is really ugly out here; there's lots of old tubing and ditrus and grass and so on, but I didn't notice a whole lot of tree trees; I noticed a lot of bushes.

Greg Moore: Actually, Bob, if we can split, this is actually the area of where the pond will be. This is part of our industrial zoned area. It is not being used right now. It was actually excavated as part of the reconstruction and construction of the cannery and that is one of the reasons why we are using it. This area was actually chosen by DNREC as part of our permit. By going to get a permit from DNREC to operate this tank, it is controlled by them and the folks from DNREC actually requested that we place the excavation here for the containment. That is controlled by DNREC.

Virginia Weeks: I have no problem with the pond, but the idea of a thick wooded area isn't what I saw out there.

Greg Moore: These are the trees that separate the Chestnut Crossing and you can see it is winter and there are no leaves. This is the area. We are standing about where the pond would be; the excavation and looking back toward the backside of lots on Chestnut; these trees are located here; thicker trees and more of the trees are located on the back side and what my point is, is that the majority of this area is a hoop of existing trees. The tank will not be completely covered by those trees because the tank is 48' tall; but I can tell you that one tree is very close to that height; but the trees do vary, so it is not going to be completely blocked. The excavated area for containment will be completely blocked by the trees and the natural vegetation. This is the front of the facility, again, this area is represented in an artist's rendering over here on the elevation and this area is the 2-story office; this is the tank area along the front side of the building; and these tanks area actually 46' in height and they are about 12' in diameter; they are actually double-cased; so they are air-tight; there is no odor that is emitted from them because they are air-tight; they will be contained by a curb around the bottom and what we're proposing is an 8' foot wooden decorative wall, that will contain the piping and the underside of these tanks and blend with the building. This material is the same wooden material that will be used in the fencing material and the screening for the underside of those tanks. The reason that we are doing that is that we want to make a good presentation as folks who come to tour our facility actually walk in. We're trying to architecturally tie in the tank areas into the design of the office and the office expansion and the area where they will actually sample beer. This material on the side of the building is an aluminum corrugated metal that Nick referred to; that same corrugated metal with the same color will encircle each of the tanks; so the building and the tanks will actually be the same color and they will tie in together so that it will look very consistent. These wood elements will be repeated as the containment around the tanks and that is by design; this curb is actually being added and right now if you drive up there, you can actually drive right up into this triangular area and you can see that on the aerial. We will be eliminating that drive and we are going to curb this area from

here and create a plaza and that plaza is going to be where the tourists are going to come and we will landscape that and represent that we are a brewery to those tourists that come here. We do not plan for any special light; we do not need any special light; we are only going to add light at the entrance of the doors to meet our code; for the larger tank in the back, the same thing; that tank could only be accessed by a truck in the daytime; there is no need for light, so we do not plan for any light or signage, so the light that you see at Dogfish currently is what you will see when we add this tank; same thing in the front. The bocce court that is there; you have probably driven by and seen it; we are going to replace that in the front of the tank. I've talked about many of the architectural elements; the one I didn't talk about was one that Nick mentioned. It's a combination of wood, glass and metal; the wood is to represent the old tank style; we are going to use those same corrugations in the wood, as you see in the tanks that sit out in the front of the facility today; that's why we've shown the striations in the wood. We are also going to use a metal product on the building, as I said, on the side; and that metal and wood and glass are going to tie the old and the new; that's part of the philosophy of Dogfish and that's what they want to represent with this architectural element.

Virginia Weeks: What color is the metal?

Greg Moore: It's probably going to be tan; tan and green are the colors that Dogfish wants to represent as part of their brand and that's what we expect them to be. One thing I will point out. Initially, we have shown a number of tanks here; initially there won't be that many; this will go in succession over time as Nick said, as the facility grows and they need to produce more beer, additional tanks will be added. Initially, Nick, I think 6 tanks are what our expectation is and then beyond that we would add sequences of tanks.

Virginia Weeks: On these tanks, the beer has to be kept at a certain temperature within these tanks?

Nick Benz: Yes

Virginia Weeks: And how are you going to accomplish that?

Nick Benz: As he alluded to, every fermenting tank is actually a tank within a tank; which is in itself is its own protection. In the space between those two tanks is a refrigerant with insulation that comes from the building directly to the tank and back into the building.

Virginia Weeks: So then no outside compressors or air conditioning units...

Nick Benz: All of the glycol that is used to chill these tanks comes off of the existing system that is on this side of the building already. Every tank in the entire facility, including these out here is supported by that system over there.

Virginia Weeks: I just wanted to make sure there was no additional mechanics outside.

Greg Moore: The one thing I will point out is that these tanks are taller than the tanks that are inside; in fact, it would be very difficult, if not impossible, to contain these in a building. If we were to add this same amount of tank inside of a building, we would over double the size of this building and we don't have the space on this property to do that. That's why we need to be able to put the tanks in this location and they need to be somewhat taller so that we can produce more

beer, more efficiently, and meet the demands of what Dogfish Head is seeing nationally and internationally. Now the expansion Phase 6, which is part of the brewery and that brewery process, runs across the front face of the building and Nick very well described that this is the brew house process and then it goes all the way to the discharge in the back. Our Phase 5 is where we are going to recreate the loading docks where that material will actually then be taken to market and that is right here. The loop road which is Phase 4 will be done just prior to that, which will allow trucks access to the back and a good paved surface for them to discharge and leave. Again, these phases are not imminent as the Phase 1 office and tanks and the waste discharge tank in the back.

Virginia Weeks: It is my understanding that what odors do escape from the brewery come from the brew house.

Nick Benz: The brew house is the area in the front of this that everybody sees through the large picture windows when they drive into the facility. Making beer is a process of yeast eating the sugar source, just like making bread. Those odors come from the brew house area.

Virginia Weeks: Will you be expanding the capacity of the brew house area?

Nick Benz: That is this orange Phase 6. I can tell you that is easily 8-10 years down the road.

Virginia Weeks: Will there be additional odors when that is done?

Nick Benz: It will be the same odors.

Virginia Weeks: But more of it.

Nick Benz: Well, your nose already smells it. We already brew 24/7, so the odors are already here. The smells that you smell today will be no different 5 years from now, 10 years from now, 15 years from now, for brewing the odors are there.

Greg Moore: This is actually a flat elevation. We thought that the perspective gave you a better appreciation of what the building looked like and so you could understand why we thought the tanks outside and the architectural style was important. The building now is 32' and we are proposing these tanks to be about 46'; so we think that massing this building and these tanks are actually pretty consistent and when you compare this to the silo that is at the WBOC Building at 96', there is a significant height elevation on that tank compared to this. The tank in the back that we talked about, for the material that will go to the farms is 48', so they are somewhat similar. The code requirement is 75', so we are well under code with all these tanks. We are adding a small amount of area on the outside, which is the office; but there is a big expansion going on inside and that's partly because they are trying to recreate their tourism area where people are going to come in but they are making many moves in the facility to gain more space. They are creating new labs, they are creating new offices, they are creating about 900 sq. ft. on the first floor and the second floor is almost entirely devoted to staff; these are actually pre-engineered cubicles where people will work doing marketing, etc. and that's where the staff that Nick referred to will be going. They need this space very quickly. To summarize, the tanks that we're discussing out in the front are positioned in a location that is strategic to where the existing brew house is; we do not have a lot of options; in fact, we do not have very many

options to move them. We cannot forget that this site is a reclamation site or a Brownfield. DNREC has proposed that and DNREC has been strict on that so we can't put these tanks in this, that's why this is the warehouse. We are basically locked into keeping our brew product in that central zone to meet the demands of making the beer and Nick could actually discuss that if you have more questions. We're adding sidewalks to make walking from Chestnut; there are some sidewalks that are missing; but pretty much everything else is already there; the roadway is there and was built for this facility; the parking lot is 353 spaces and there is plenty of parking. I will point out that Dogfish has just this week made some changes and its directing its staff to start parking into the larger parking lot which now it doesn't do all the time. Both staff and tourist visitors are being directed to that parking lot so that parking lot will be utilized better as these plans are implemented.

Mark Dunkle: It's just a legal point. I believe you received correspondence from Connie Holland of the State Planning Office; I just wanted to make sure that was received and is part of the legal record. I also believe you received correspondence from Alan Levin the Director of DEDO.

Virginia Weeks: I haven't seen those.

Robin Davis: They're on the front of your packet.

Mark Dunkle: They just came in today, so I'm not surprised if you haven't had a chance to see them, but I just wanted to formally ask that that be made part of the record. Nick, do you have some closing comments or are you ready to stand for questions. We're happy then to field questions from the Commission or the Public.

Virginia Weeks: There is a letter from John Pataki. The Commission will ask questions first. By us asking questions, you learn more.

Ted Kanakos: What I see is you have a very nice business. It's growing, which is fine for the Town and all concerned. Seeing all of this, the only thing that stands out is I think the people at Chestnut Crossing are going to be very vulnerable to everything in this expansion. You have your little retention pond surrounded by woods that don't really matter. You have a little spit that comes down. Are these the trees as represented will be there; are they there or are you proposing to put them there?

Greg Moore: I understand. This site has a relationship with the neighbors, as part of this plan. I think and you are also aware that the lots from the neighborhood that do border on this site all have explicit notifications or disclaimers in their deeds that these properties are adjacent to an industrial area with a 24 hour operation that may generate light, noise and odors. I just say that as a point that that restriction is in the deeds for the properties, before anybody purchased any residences there and that's not that the neighbors don't want to be neighborly, but this has been an industrial site for quite a while, so that disclaimer I think is very important so it's apparent.

Ted Kanakos: I hope you are aware that things change; that you want to grow and they want a place to live. I think that everyone wants to get along. I just think that... One other thing though. You have a driveway that loops around. You

said that trucks would also exit along that row of trees to pick up your beer and bring it out. Your wastestream. They pick it up and they go out.

Nick Benz: Currently this road does not exist. This ends. This does not exist. Trucks come in through this road, which does exist right through here; pick up and leave. That's how every truck comes in; not just the Dogfish trucks.

Ted Kanakos: Now with this new plant, you'll have a loop that goes around.

Nick Benz: That's not part of what we're discussing today as Phase 1, 2 or 3. That is Phase 4 and 5, which would be the loop road and loading dock project, one-way traffic only.

Ted Kanakos: Okay, but presently the truck that picks up the by-product of the beer, those 6 little tanks, will also pick up from the large tank and go up through there and exit the way they come in. So these folks also have a lot of truck traffic which you are expanding.

Virginia Weeks: That's day time traffic to pick up waste.

Nick Benz: To pick up diluted beer, yes.

Virginia Weeks: The actual pick up of beer for market will occur at the back of the building where the warehouse is.

Nick Benz: Currently it occurs right here, because this does not exist as additional warehouse space. These are our loading docks right now.

Ted Kanakos: But they will be able...

Nick Benz: And shipping and loading docks are open from 8 am to 5 pm for trucks that leave with our finished goods; with beer on the trucks to leave; and they don't go through town; because there is a truck restriction turning right on Chestnut; they must go left towards Route 5; and that doesn't change.

Ted Kanakos: I understand, but with this expansion you're taking a lot more waste away and you're bringing a lot more bottle supplies so that is a very busy part of the plant and it is very close to Chestnut Crossing. What I'm saying is noise; what you're introducing a 48' tank; I would like to see a buffer; a really good buffer between those folks and those tanks. I realize that you read us the letter of the law; that you are entitled to this and that; but I don't think that comes under your good neighbor policy, as well. These people need some protection. It's pretty sparsely defined around the other area. But I see just a little row of trees. We need something in your proposal.

Nick Benz: Your initial question was what's original and what's proposed? All of this to this corner exists. These are what's part of the proposal; as was the fence that was put up.

Ted Kanakos: That's what I asked; you'll be putting in more trees and the size of the trees.

Nick Benz: The size is dictated by code but I believe it has to be at least 7' tall.

Virginia Weeks: What kind of trees are you planning to put there.

Nick Benz: The quote we have is for Leland Cypressess; they grow fast; they grow thick.

Virginia Weeks: That would be my suggestion.

Ted Kanakos: We see one row; we're going to see more than one tree after another, it's going to be dense.

Virginia Weeks: They are dense.

Ted Kanakos: They are dense. You can stagger them so you can't see through them at all.

Nick Benz: That's the intention.

Ted Kanakos: Ok.

Louise Frey: You said you have 353 parking spaces.

Nick Benz: 388, I believe, is what was counted.

Louise Frey: Is that being shared with Cannery Village for their clubhouse?

Greg Moore: There are 353 spots in the parking lot to the lower part of the page; there are I think about 50 spots back here. The code requirement for Dogfish is 210, so there are in excess of well over 100 parking spots that are available and so we don't believe parking is an issue even if others from the neighborhood or from elsewhere happen to park in the lot. We don't believe there's a problem.

Louise Frey: Do you have a formal agreement with Cannery Village to share your parking lot with them?

Mark Dunkle: There is an agreement; Robin has that agreement and we are aware of that agreement and we don't think that's an issue.

Virginia Weeks: They are not restricted at all; the people that will be using the clubhouse and so on, from using your parking lot. What is the agreement?

Robin Davis: The agreement was the same that was discussed back when Cannery Village was doing the revisions to 2B and 2C. I have a copy of the agreement dated November 5, 2004; the agreement was between Cannery Village, LLC and Chestnut Properties. At that time, because in 2004 Cannery Village owned that parking lot and has since sold it to Dogfish Properties; but the agreement does say that the parking is shared and there is an easement agreement for the parking. It says between Pintail, Chestnut and its assessors and assigns shall share the cost of maintenance and parking, etc.

Virginia Weeks: So you guys are safe with that parking lot. Does that answer your question, Louise?

Nick Benz: I'm not certain that that's part of this application. This application doesn't impact the parking lot. I've seen this document that Robin had; I haven't seen it recorded, but...

Virginia Weeks: Testimony was given that you get 600-1,000 tourists a week. That parking lot needs to be shared with the clubhouse across the way. The clubhouse across the way is having a wedding in it and you're having a lot of tourists, then it does enter into it. We want to make sure that everybody has enough parking.

Mark Dunkle: If there is a legal easement that relates to that, I haven't reviewed that yet, so I just didn't want to make that statement to you. It doesn't really affect this application because these structures here don't affect the parking lot; there is plenty of code requirement parking, so I just wanted to clarify that.

Virginia Weeks: I happen to think that the parking is important at this point because of the amount of tourists that you are expecting and the increase in business, we just want to make sure that there's enough parking for you and for those people in Cannery Village who wish to use their clubhouse for anything.

Mark Dunkle: I think Mr. Moore has testified and the submission has confirmed that this application for this expansion has more than enough parking for it.

Virginia Weeks: Now that Robin has read the agreement that's in the record.

Thank you. Anybody else have any questions?

Michael Filicko: Gentlemen, has lightning ever been an issue hitting the towers in any other location that you are aware of?

Nick Benz: Not that we are aware of.

Mary Schrider-Fox: For the record, if the public could hold their comments until the public comment session. Thank you.

Nick Benz: I'm going to reiterate, we're not aware of lightning ever being an issue hitting tanks, building or otherwise; never impaired our equipment; never impaired our ability to operate as an entity.

Virginia Weeks: Do you have generators?

Nick Benz: No.

Virginia Weeks: Are you planning on installing them at all?

Nick Benz: No. We have no plans for generators right now.

Virginia Weeks: What happens if the electricity goes off?

Nick Benz: We stop brewing.

Virginia Weeks: What happens to the waste plant; the waste water tanks?

Nick Benz: They just sit there like they do day and night until somebody hooks up the truck that hauls it away.

Virginia Weeks: So the lack of electricity will not impact that at all; or cause a spillage.

Nick Benz: No, not at all.

Michael Filicko: The perimeter of the property, where the trees are located; do you own all of that land?

Nick Benz: We own all the land to the round pole branch; the round pole branch, follow it to the corner; I don't know exactly where the marker is, but it is somewhere in there.

Michael Filicko: Where you are planning to plant trees, do you own any land beyond that?

Nick Benz: No, the current fence line that runs along the property border between Dogfish Head Properties' parcel and Chestnut Crossings individual parcel, the fence line is the property of Atlantic Homes. They built that fence as a buffer. The trees as we initially proposed are on our land.

Virginia Weeks: The engineer actually had a question about that. Is there a problem with an easement there?

Nick Benz: The Town has security easements, waste water and electricity, I believe at the very least, I forget what else they commented on. It's a 20' easement off of that property, which then takes it into all of the propane tanks, the buried high pressure propane lines and the utilities that feed the ____ on this side. So as part of our proposal we are financing the trees; we are paying for them to be installed; we are paying for them to be mature out of the gate, not tiny sprigs that do nothing for the first few years; but the trees' physical location would have to be as the fence is on the property of the property-owners.

Virginia Weeks: Unfortunately, our engineering consultant is not here tonight to give us guidance about putting trees in easements; I know it was something he brought up when we received his comments. I know he would have brought that

up. "The proposed landscaping is shown to be placed within a water and sewer easement; another form of screening or relocating the plantings to outside the easement is recommended" was a quote from Bob Kerr our Town Engineer.

Greg Moore: That's exactly what we're recommending.

Virginia Weeks: Outside the easement?

Greg Moore: Outside of the easement. The fence is not on the easement. If you locate these trees from one side of the fence to the other side of the fence, it eliminates the easement as an issue. We're paying for it; we're proposing that as a way to increase the screening between our properties.

Virginia Weeks: So you're suggesting actually that the trees be on the property of the people...

Greg Moore: As the fence is; as the fence is. Correct.

Ted Kanakos: Have they been notified of this or asked?

Nick Benz: We can't force anything. It's simply an offer.

Ted Kanakos: You're not forcing it on them, if it's an offer on your part...

Nick Benz: Our initial offer was here and it was only when Mr. Kerr, your Engineer, brought it to our attention that we've had a day or two to react to this, so no there would have been no notification period possible.

Ted Kanakos: So they can expect that, then.

Nick Benz: Yes, absolutely. I make the point out that we have also taken steps already to eliminate noise here. The trees would just be another incremental step in that direction. In addition, we put variable frequency drives on the equipment that drives us, and what that means is that instead of running at maximum capacity at all time, whether you need it or not; it only operates it when it needs it; so the noise only cycles up when it is necessary; and then it cycles back down; necessary is the warm of the weather. In the winter, you barely hear this running because it's cold enough to keep the tanks cool, as opposed to the middle of the summer.

Virginia Weeks: My question is on the Master Plan Revision in the back there are two big blue tanks and you propose to add four more against the building. What are those tanks?

Nick Benz: I'm not sure where you are trying referring?

Virginia Weeks: When the brew house is going to extend out; there are only 2 now, what are those 6 tanks going to do?

Nick Benz: They hold the bulk grain. It's a grain silo, just like a farm has.

Michael Filicko: The land to my immediate right where you have trees that you currently own, will those trees remain there?

Nick Benz: Absolutely.

Michael Filicko: And that land will not be developed?

Nick Benz: No.

Michael Filicko: If the land was frozen and there should be an accident in the grassy area, where would the excess beer run into and how would it impact the surrounding environment?

Nick Benz: Whether the land is frozen or not, the intention of this is not for it to just sit there and as long as it takes to be absorbed into the ground. Our DNREC requirements, by code, require us to immediately report and immediately evacuate

and that would involve bringing in an outfit like Clean ____ or somebody else with pumping trucks and getting rid of it as quickly as possible all within the code requirements of DNREC. This is not meant to be a pond to retain it in any way, shape or form; it is simply a fail safe mechanism that if there were the unlikely event of a rupture, it would be contained from running into any properties or the round pole branch. This is all approved by DNREC and suggested by DNREC and we have walked the site with the engineer's prior to presenting this and this is the permit we would be granted, in the unlikely event of that rupture, it is simply a holding containment area until for the next couple of hours until we have an immediate emergency response to evacuate that.

Michael Filicko: The trucks that come and go what type and size of trucks are they?

Nick Benz: They could be anything from an LTL truck, which would be like a UPS size truck to a tractor trailer which is an 18-wheeler and every size truck in between.

Michael Filicko: Do you use those 18-wheeler trucks now?

Nick Benz: We use them because we contract them. We Truck, who exists in this town does a significant portion of our business up and down the east coast and yes, We Truck uses those trucks, per our contract with them to deliver the beer to the marketplace.

Michael Filicko: And you go out through Route 5, correct?

Nick Benz: We have to, absolutely. The only time that's been, ever, and we were granted permission for this, is when they were constructing the new water main line and we had to turn right through town and that was given as a special permission for us to do so during the town's construction of that water main.

Ted Kanakos: What are the hours that the trucks come in and out through town? Are they 9 to 5 only?

Nick Benz: Our loading docks back here are open from 8 am to 4:30 pm; we call it 5:00; so all incoming materials, bulk glass, cardboard, cartons and outgoing beer, which is kegs and cases happen during warehouse hours.

Virginia Weeks: Do you see where the proposed wastewater tank is; next to it is a shaded area. What is that shaded for? It's got diagonal lines. Is that for further expansion of the wastewater tanks?

Unknown Speaker: It is shown as a reserved area for future wastewater treatment, if ever necessary. We do not propose any. We just reserved it, to show you that if something had to be done for some pre-treatment, that's where we would do it.

Nick Benz: The town back in 2003 when I first joined and we were asked to leave the town's wastewater system, it was always under the pretext of you need to handle your own pre-treatment and disposal and we've been doing that in one way which is a DNREC favorable way, which is land application only. At some point in the future, as we continue to scale as opposed to taking full strength liquid as it leaves this facility, which is great for irrigation on farm fields, we would want to reserve the right to be able to pre-treat that, when and if, down the road, we would ever choose to discharge it to a different facility that treats it. This is the proposed area to do that, because it is already centrally located in the back with all the other wastewater issues.

Virginia Weeks: What does pre-treat mean?

Nick Benz: Pre-treating is exactly what your existing wastewater treatment plant does or whatever Artesian or Tidewater or any of these companies that build; it takes in liquid with a high BOD content and it treats it down with bugs that eat them, aerobic and anaerobic digesters and cleans the water until ultimately its discharged somewhere and we would look to clean our own water and then ultimately if we clean it well enough, we would recycle the clean water coming out of the back side of it and reuse it on the brew house side of it, because it is better than drinking quality standards.

Virginia Weeks: That is just water from the process.

Nick Benz: We pump out of this well right now. Every drop of water that we get for beer comes out of that well.

Virginia Weeks: What I'm saying is its not gray water that you're looking to process.

Nick Benz: Oh, no, no, no. There is absolutely no human waste whatsoever in anything that we do.

Virginia Weeks: Are there any other questions?

Michael Filicko: I'm aware that Dogfish Head also makes or produces spirits. In this particular plant, will beer be the only beverage that is produced?

Nick Benz: The distillery is in operation that is currently at the Rehoboth Brew Pub in Rehoboth Beach only; as the Brewer was once upon a time and I can't say looking in a crystal ball that we would never also make distilled spirits in this facility; but the process of making distilled spirits is 90% similar to the process of making beer; it's a fermentation process involved and then in that case there happens to be a distillation process involved. We have a number of employees who are a few of the Milton residents who are also here in support.

Virginia Weeks: Are there any other questions?

5. Public Hearing

Virginia Weeks: We will now open it to the public. The way this works is, you comment to us, what you've heard and what you want us to be aware of. You need to begin by giving us your name and your address. Anybody who favors this project, please come up and speak.

Greg Christmas, 17150 Jay's Way, Milton: I actually moved here from a long distance from here to be part of the Dogfish team and support this project. I can say that in my travels with the company, everywhere we've gone, the reception and the excitement of people about our product and about Dogfish is just overwhelming and it's something that I'm very proud to be a part of and that making a town like Milton a destination where people come; they don't come to Dogfish because they were at the beach; they go to the beach because they came to Dogfish. So going forward, hitching your wagon to a company that is growing when there are so many places that are shutting down and employment and that kind of thing in today's economy I just want to mention those positive things that Dogfish brings to the community and also the positive publicity that it brings to Milton and to the State of Delaware, as a whole. Thank you.

Brian Suthers, 419 Chestnut Street, Milton: I've got wonderful neighbors behind me in Chestnut Crossing; thank you for coming to town. I am strongly in favor of this project, as it directly impacts my area of concentration in the brewery. I direct all the brewing operations on a daily basis; I have a staff of 10 people, over half of which live in right here in Milton; putting money right back into the town; as they live here; which is great. I started with the company in 2002 which we were still at our Nassau Commons location and I started commuting from Route 24 and John J Williams Highway every day at 4:30 am every day into well kind of looked like Beirut in the daytime. In the nighttime it was kind of an adventure to drive to work; I almost drove into a ditch one day as I was coming through; it was actually a foundation of one of the old buildings. Now in the first couple of years of our operations we strongly, really improved that facility quite a bit, so it was quite a bit safer for me to come to work and make beer and as we kept growing, we started to beautify the area and all that stuff; and I'm really proud to say why don't you come over to Dogfish Head; it looks great; this is where I work; I'm proud of it; I'm proud of what everything what we do; I'm proud of all of our staff; for all of their accomplishments. In the same regard, as we think about growing our town in improving with Cannery Village and the Brewery and what not; Chestnut Crossing was a great addition to the town, as well. I moved into Milton 5 years ago now and our dog Larry got out of the house one day and ran into the land which then became Chestnut Crossing and there I was running barefoot through that minefield of rusty nails and pipes sticking out of the ground and ended up with an angry dog and a nail in my foot; so I'm really, really happy that Chestnut Crossing came in and improved Milton as well; because now it's a safe place to run my kids around and take the dog and just, you know, bring a greater sense of community to Milton. Thank you for hearing me out and please approve our projects, because they are very important to us.

Cindy Houston, 301 Summer Walk Boulevard, Cannery Village, Milton: I am very proud of Dogfish; I am very proud of what we're doing; I'm very proud of all the employees that we have hired to work for our company; 8 of which of the group that Nick mentioned are people that we have relocated to Milton for the purpose of working at the brewery; I am one of those people, I came from Baltimore, MD and I left my happy home and the big city because I wanted to be part of this amazing brewery. I do the hiring and a variety of other things for the company. We are proud to offer health benefits, dental benefits to enable the people that work within your community to be able to raise families and to be able to care for themselves and do the things that they need to do. I would encourage anyone who hasn't been to the brewery to come; and I would encourage you to be really proud of what we've done. One of those positions that we've hired this year is a Delmarvelous Sales Representative, and you might ask do we really need such a person and we think we do; because we're very proud of being a Delaware employer; we're very proud of this area and we've hired someone to devote their attentions to selling to Delaware because we just feel that this is our backyard. I understand that there are concerns, but I also know that this is a company that is expanding and these are not TARP funds and that's a really nice thing. We need to support what the company is doing and I'm happy to see

my coworkers in the audience and I think we're doing a lot of really positive things for the community and I'm proud to be a part of this community as I am proud to be a part of this company.

Gene Dvornick, 511 Chestnut Street, Milton: I live at the entrance to the Dogfish Brewery. I'm looking around the room to see if there is anyone else; I actually worked at the Draper Canning Plant when it was in operation and I can tell you that what the operation of the Dogfish Brewery has as an industrial nature is a far cry from what King Cole had. Dogfish is a true good corporate citizen; they do a lot with the Milton Development Corporation and the Theater; they are a big sponsor for the John Milton Festival; and they also do a good job with the Milton Historical Society. I think if you look back and I heard this evening that it's 300 to 1,000 tourists per week, I know they do their pints and paddles; they're doing tours, it used to be Mondays, Wednesdays and Fridays; now I believe its five days a week; and I would think they have a demonstrated track record of what they say they're going to do is actually what they do. I have the trucks come by my house first thing in the morning; I know if the wastewater truck goes out and I'm not at a certain point getting ready for work, I'm going to be late. The tanks are not a unique thing to that side of Milton; when the Hopkins Granary was in production there were five tanks there that were well in excess of what Dogfish is proposing; when the Draper Canning Plant was in operation we had three 50' tanks that did process water separation and also if you would have walked back where the old wastewater treatment plant was, for the canning plant, there were two catastrophic lagoons that were in place, just in case we ever had a failure. So I think the things that have been demonstrated today with DNREC oversight I would encourage you to accept them and approve their application. Thank you.

Scott Pierce, Co-Owner of the Iguana Grill, 122 Mulberry Street, Milton: I have a unique perspective in the fact that I'm also an elementary school teacher here at Milton Elementary School and a business-owner here in town. Watching what Dogfish Head has done here in this town over the last several years is amazing and I think that to not allow them to expand and grow and keep bringing commerce into this area which so desperately needs it, as you can see among the families and the people that are around here, would be an atrocity; so anything the town could do to help them, in that regard, they've already demonstrated, I believe, over the last 10 years or so, that they have actually been in town, that they do care about the community and they are doing things. You can see their plans are extraordinary and I hope you guys see fit to allow them to continue to expand and help grow the commerce of the downtown area.

Jeff Daily, 211 Grist Mill Drive, Milton neighborhood called Cannery Village: I bring this up because for the record there are two members of Planning & Zoning Commission who have recused themselves from this meeting tonight because they are residents in the Town of Milton. I'm pausing because they are residents in the Town of Milton and they are recusing themselves because they live in a neighborhood called Cannery Village and they felt that there would be some conflict of interest given the proximity of the neighborhood of Cannery Village to the brewery and I'm a little upset at that because we voted them on to this board; they were nominated and they were placed here to represent neighborhoods in

Milton. I really appreciate your presentation and what I like most is that a lot of this, it was mentioned, this won't come into being for 8 or 10 years; that means that we're going to have very good neighbors; who are here for the long haul. I thank you for the presentation and the planning.

Ted Kanakos: Excuse me. You mention that two of your people live in Cannery Village, Al Perkins and Ed Kost were on this Committee and you seem to be a little disturbed by the fact that they weren't here representing you. All week emails have been going back and forth; they wanted to do the exact right thing; they didn't want to compromise anything and on the advise of the Town Solicitor they were told that it might be proper for them not to attend.

Jeff Daily: I don't want to be adversarial.

Ted Kanakos: Well, they're trying to do the very best they can.

Virginia Weeks: Just a moment, Ted. I want to say that at the end of meetings, sometimes we sit and have discussions and this came up and, in fact, it is ruled by State Ethics Code and would you care to address that as to why Mr. Perkins and Mr. Kost were told that the State Ethics Codes, which control the Town of Milton since we don't have our own Ethics Codes, required that they should recuse themselves. We cannot force them to recuse themselves; but had they chosen to stay, it becomes contentious for legal action.

Jeff Daily: Ms. Weeks, that's not finalized and there are letters going to ethics on that.

Mary Schrider-Fox: For the record, I'm only going to comment to say that this issue of recusal in general, has been discussed with the Commission members before and when a recusal might be appropriate, when it might not be appropriate. It's a very fact-specific situation and it's ultimately up to the Commission or Board or Councilmember to make that decision. We have discussed it and that decision was made that there are state regulations in place that talk about when a recusal is required. With any kind of a town official that even the appearance of impropriety or appearance of a possible bias, that that sometimes can form the basis of a recusal, as well. It has been my opinion and these few members felt that they should follow that opinion that when we are talking about something that is taking place in Cannery Village, since they are residents of Cannery Village, that it might be appropriate for them to consider to recuse themselves, since technically, as owners in the same community, in the same sub-division, that they could, in theory, benefit or not benefit by a certain application in that same sub-division or community that they are located in. That's the analysis. Some people disagree; some people agree.

Jeff Daily: I don't know if I agree or disagree, but with all due respect, I came in on saying that Cannery Village is a neighborhood in the Town of Milton and that's how I'm going to exit. Thank you very much.

Frank Payton: I've been a resident of Milton all my life; born here; went to school here; got married; raised my kids here; been a cub scout; been a den leader; little league; the whole nine yards. About 5-1/2 years ago I was called in and asked to help out when water was too much for the Town of Milton and was asked to help the Engineers and DNREC members, and Sam and Nick and we were able to develop a plan to take care of this water and one of the first ones in line; and

we're on three farms now; and potentially to get a fourth one. Since I've been there, I've learned that Sam and Nick and the whole team treats their employees like family, a real team; they're proud of the way they handle themselves there; their appearance. They've just done a great job and it's really looking nice in there. I know there's one little article that showed a section in the wastewater that kind of looks a little ____; but if you had seen it a couple of years ago, it's actually slowly coming in and, as they say, it will go ahead and clean that out and come into a nice grass area. Those trees, you've seen them in the winter; trees do fall; the leaves do fall; they thin out in the summer and stuff; so that area is in potential to be cleaned up much better. One of the best jobs I've ever had. It's been great for Milton; I've worked at King Cole; I've worked at ____ plants; I've worked at clam hatcheries; I've worked at ____ plastics; so it's a really nice place for all the people that are there.

Cindy McManus: Do I have to recuse myself? I too live in Cannery Village on Brick Lane and I am the token elderly cashier for primarily the tour program at Dogfish. I have lived in Cannery Village for two years and I joined Dogfish a year ago; and it is without question the best thing that has happened to me; all these wonderful people have embraced me and it's just been wonderful. I would ask any of you, are there some here who have not taken our tour. I invite you both, it is a fun thing to do, particularly on a Saturday when it's really bustling and come, hang out with us, sample the beers, I guarantee you'll leave with a smile on your face. Your wallet might be a little bit lighter. Thank you and just let me tell you it's a wonderful, wonderful company.

Bill Preston, 112 Carriage Drive, Milton: I work in the office; I do some accounting things. I've been there since July of 2006; just let me echo Cindy; it's a fun place to work. It's a great place to be. Also, I'm treasurer of the Lion's Club, and I mention that by way of philosophy that wherever we've been we try to put back into the community to add to it; and it's my pleasure to do that as many of the people at Dogfish. Dogfish does add to the community wherever we are and I'm proud to be a part of that; I'm proud to be here.

Sam Calagione, I'm the Founder and President of Dogfish Head Brewery: I recognize a lot of your faces and it really warms my heart to hear a lot of the things that were said by my fellow coworkers and people who live here in Milton. I want to give you a little bit of history on our company and I was reminded of that history yesterday; I got to go down to Capitol Hill and meet with Sen. Carper and I was there to speak with him about some economic issues facing businesses in Delaware; but before I got the chance to talk about that, he reminded me of when I was 25 years old and came into his office because we had just written a piece of legislation at the State level; he was governor at that time; and we were able to open our brewery because of that legislation and he remembers how immature I was and sweaty I was as I took my picture next to him as he signed my piece of legislation allowing us to open the first brewery in the First State; and we did that with pride. We went down Rehoboth and opened our little brewery. At that time we were the smallest commercial brewery in the country. We made 10 gallons of beer at a time and we are now a slightly less small brewery; but you know some of the content of this evening does make it seem like we are large; and

certainly in the context of many local businesses here in Sussex County I'm proud of the way that we have grown. To give you some context, Dogfish Head Brewery has less than 1/20th of 1% of the domestic beer market in America. In order for us to stay competitive and keep providing the jobs that we've talked about tonight, we need the opportunity to grow and we'll be a David in the world of Goliath's for many, many years as we fight against breweries like Coors, Miller and Bud. God bless them, they're huge, they've done great things over the last few decades; but they're owned by the Belgians and they're owned by South African breweries; over 90% of the beer sold in America right now is not made by American breweries. America is a country that was founded on capitalism and entrepreneurialism and the opportunity to succeed by your own hard work; and you've met a lot of the people who have worked hard day in and day out at this company. With respect to the phases that are under review, I do want to comment earlier when you read us the letter of the law, but what is your good neighbor policy? I understand that, because this is a small town; and while the review process is certainly about the letter of the law, there does need to be some consideration for your community. We have been very open doored; we know we have a couple of vocal neighbors who are frustrated with some of the aspects of our business that we run; we're very aware of what our light industrial zoning allows us to do. We've never been outside of those zoning requirements. I do know that oftentimes our noise levels have been brought into question; I believe it is dozens of times that the Town's been called out to review that; and not a single time have we been out of compliance. I would also like to add some comments to Gene Dvornick's about the history of the site; and, while he mentioned that it's a lot different then it was back when it was a cannery; to take a few moments and talk about that and where this has gone. Some people are probably familiar with Atlantic Concrete, a company in Lewes. They were like us, zoned light industrial. A residential community when the fields next to them were getting ready to be developed, Atlantic Concrete put up a giant sign facing the community, saying "Just, so you're aware, before you build a house here, this place is dirty, this place is dusty, this place is loud." A couple of times when we've received calls or we're out there getting our noise checked on a weekly or bi-weekly basis, I've wondered if it would have been better if right out here if we had put big sign to let people know before they moved into the community, that we are a business that has the rights of any light industrial business, the right to run around the clock, the right to have trucks, as you mentioned; well, if you're going to be a good neighbor and it's loud there, maybe you can do more with the trees. That's something that I'm very open for a conversation about. I do know that we're not dirty, we're not dusty. The site when it was a cannery had knife fights; it had immigrant worker camps in it; it was frankly not something that made this community aesthetically beautiful. It was not something that drove hundreds of people a week, who have disposal income, because they have chosen champion breweries and companies like ours who have to charge a premium for the product. These are exactly the kinds of people who have disposable income to come and spend it here. So I did not want to put that sign up there, because I thought that our actions would speak for themselves as we've grown this company and

improved this facility. So I do want to be a good neighbor and our good neighbor policy is, and correct me if I'm wrong, Nick, we have an issue here that I believe would get discussed of what of who owns that land, okay, on the sides that there are trees? I believe your own Town Engineers have some questions of whether or not we can put the trees on our side and that's why it's being considered that we might need to do it on there to give you guys more dampening. We're willing to explore that. Dogfish Head is willing to pay to fill these out. I agree with you when I looked at that picture, granted it was the winter time and the trees weren't flushed out with a lot of leaves, but if we can and we are able to and have the approval of our neighbors to explore flushing this out, I promise that our company will pay for the trees; however they're told to be configured by the town in order to maximize the dampening that erode trees can give throughout this perimeter. We are willing to work with the town and the community on that. We do have a timeliness issue here. I know there have been some postponements of this meeting for whatever reasons. I do know that the Town Engineer while he was able to put together some questions for us to address tonight, was not then able to actually show up and be part of this meeting; that's unfortunate. That said we do want to talk about that. We will do our best to help with that; but that is the good neighbor policy that you invoked earlier and I just want to remind the folks that will get up and talk about the fact that we're loud and talk about the fact that we have trucks running at certain hours of the day and it is an issue if we are out of Code. It is an issue if we break a law. It is an issue if we have a knife fight in our parking lot. But we do think that we have proven that we can operate very strongly as a community member within the law, within the codes and that good neighbor policy that you invoked, we feel that we've earned the right; we're not asking for the right; we feel that we've earned the right for that good neighbor policy to go in both directions. Thank you.

Roger Thompson, 206 Grist Mill Drive, Cannery Village, Milton: I'm sure everybody in here has driven down Route 16 and has gone through Greenwood and they've gone through Ellendale. They are dead towns. When you drive through there you don't see a thriving small town and that's what this is. I think we need this business.

Virginia Weeks: I would like to note for the record that we have here a letter from Constant Holland who is the Director of Office of State Planning Coordinator asking us and encouraging us to approve this vision that Dogfish Head has. We have something similar from the Hon. Alan B. Levine who is the Director of the Delaware Economic Development Office. In the matter of time reserved for lengthy letters, I am not going to read them into the record. Robin will have them and they will be available at the front desk at Town Hall if anybody wants to go and take a look at them. Also, I have a short letter from John Pataki of Salon Milton, your good neighbor and I wish to read that. "Today I visited Dogfish Head Brewery and saw the architectural drawing of the improvements to the brewery. As a residential neighbor and adjacent business owner, I am in full support of this expansion. I am actually proud to have them here. They are a lifeline of Milton and in today's economic times it's wonderful to see a business growing and prospering. I stopped by the Commission on March 17th's meeting

and will be out of town on April 1st, but I wanted to express my views.” Now, those who disagree or are not in favor of this, would you please step forward. Please do not forget to state your name and address.

Dr. Sue Fox, Chestnut Crossing, 105 Sassafras Lane, Milton: I’ve lived there for 3 years. When my husband and I moved in to Chestnut Crossing, we were excited to be next to Dogfish; in fact, my students, I teach at Wesley, they just think it’s super that I live next to Dogfish. The odor from Dogfish I love; there’s no problem with the odor. As far as the noise issue is concerned, I have several issues, but the noise issue is one that bothers a lot of my neighbors. It doesn’t necessarily us, but it bothers at least 2 or 3 families directly to the west or east or whatever it is. We’ve had a meeting with Dogfish; Sam was very nice to talk about trees; we haven’t seen any trees; at that time it was going to be with the owner of Atlantic Homes and Sam and Mark Granny and they were going to decide what to do. My concern with the expansion is the placement of it, obviously. I just wish it could have been to the other side, primarily because of the noise. The highest reading that the town has had so far is 72; and 85 is for light industrial. That’s with one compressor or whatever that air conditioner thing is; that you have put an energy saving apparatus on it. My question that I asked the town about this; the combination of the noise; the trucks and everything else is going to be over 85; there’s no way that you can do this and the readings will be a combination; they will not be that one generator or compressor or whatever it is. So I have a concern with that. My second concern is the slide that was shown and I don’t know whether you could back to the slide that supposedly showed the trees next to Dogfish. This is incredibly misleading and I’m no expert. It seems to me that this is a house that’s not even near the brewery; it’s the one that’s most impacted by the noise and ours is up at the end of the cul-de-sac, so it isn’t even the cul-de-sac next to Dogfish. As you get close to Dogfish, there are no trees like that. There are a couple of tall trees; so the tree issue is tremendously important and if Leland Cypresses could grow in a year, it would be wonderful and I know they grow fast, so I think that’s a step in the right direction. But my major concern is this whole zoning issue of light industrial. I’m not so sure that the Planning Commission shouldn’t be looking at the difference between light industrial and heavy industrial. It seems to me that what we have here is no longer light industrial. They showed examples of... It won’t affect you, because obviously you’re grandfathered in. But I think, up the road, you need to address that. They were showing pictures of breweries in large cities. Well they have heavy industrial zoning there and we only have light industrial zoning here. I’m concerned about that. I’ll be quiet, because others want to talk. Thank you very much.

Ellen Calhoun, 106 Sassafras Lane, Chestnut Crossing, Milton: I’m curious about that slide. I have a number of issues and I want to say first of all that I agree entirely with what Sue Fox has said. We’re concerned that perhaps Dogfish is going over the limits of light industrial and from the perspective of Lot No. 4, No. 106, according to what I read in the zoning codes, we received notification of the expansion of Dogfish because we are 200’ or less from the proposed expansion. On the previous map where the trees were shown, with the containment pond, it

appeared that the property line between our property and the end of Dogfish's property was more than 200'; so my question is, is there a problem with the rendering or the site map or something like that? What we're looking at right there, I believe, is our house and this is... I would like this clarified.

Sam Calagione: First of all, with reference to the problem with the survey, we've actually surveyed the entire property for this presentation; including the location of the trees; all the Dogfish Head property, all the parking lots; so we are absolutely certain that our surveys are accurate and the work we presented is accurate. This is not there to represent where the pond is going to go. This is there to represent that there is a natural buffer which is what we were trying to explain when we showed this. There are natural trees; there was a question about whether we would be cutting any of these trees down, either behind Chestnut Crossing or behind the brewery itself and the answer is no; we are going to leave all of those trees there. In fact, we are going to augment those with additional Leland Cypress so that there is more screening than now.

Virginia Weeks: I believe the question was what is the plan to build or the use of the land that you see in front of these trees.

Sam Calagione: That will remain as is.

Virginia Weeks: As is; it's not part of the pond?

Sam Calagione: In this perspective, no. You would probably be standing in the location of the pond where this photograph was taken from.

Ellen Calhoun: [garbled]

Sam Calagione: Could you please go back to the actual Master Plan, it will show that better.

Ellen Calhoun: Exactly. If you look here; this is DNREC.

Sam Calagione: For clarification, this is the natural tree line; this is an existing pond that's back; this is the property line behind the homes that are on the cul-de-sac.

Ellen Calhoun: Not that cul-de-sac.

Sam Calagione: This is the cul-de-sac and these are the natural trees. We were trying to demonstrate that there are natural tree buffers that will surround the containment area which would be located here. That's what the slides that we demonstrated; that's where that pond is located. There is an existing excavation there, which is what DNREC wanted us to expand. You can't see that excavation here because it's actually not in this picture. That's not the purpose of this photograph.

Ellen Calhoun: I have a question about that excavation, as well. The berms that will hold the containment pond are to be how high?

Sam Calagione: There are no berms to hold that pond; the pond will be excavated into the ground and then grass so there will not be berms; you will see nothing different than you see there.

Ellen Calhoun: I have another somewhat larger question. When we did go to Town Hall the other day, Sue and I, it wasn't clear to us what the difference between Cannery Village owners and Dogfish owners were; so going back to what Sue was saying; I'm just wondering why Chestnut Crossing is taking all the impact; the industrial and the noise impact; of this expansion and why the

expansion and some of the tanks can not go in the other direction over the Brownfield that is paved. Why, when you have to get an easement from the utility company to put trees on Chestnut Crossing property, why can't you go in the other direction? Why does it all have to come to us?

Virginia Weeks: The easement is not on Chestnut Crossing property. The problem is that the easement is on Dogfish Head property; on their side of the fence. The easement is about 20' wide. That's something we'll have to discuss later on. But be assured that we're aware of the need for a buffer. I believe that Sam has made that abundantly clear that we're going to have some sort of a buffer.

Ellen Calhoun: I have just two more comments. Number one, if we're going to have another tower to store the wastewater for the processed beer, the leftover water, I understand that's going to be a certain 48' high; but it's my understanding from looking at the site plan that it's going to stand on a platform that's 15' high, so that's going to make it even higher and I'm just curious if a study has been done to see what kind of a shadow that's going to cast?

Virginia Weeks: Would the engineer like to address that?

Greg Moore: I think I heard that the tank would actually stand on a platform or a concrete that would be 15' high. That is not the case. These tanks will actually be at grade and the tanks up near the building would have an 8' tall wall that will cover them. The tank in the back that we refer to as the waste tank, will be located at grade and will project up from that. It will not be on a tall pad.

Virginia Weeks: I believe the engineer gave testimony that the tank would be 46' high. That means that the top of it, no matter what is underneath it, would be 46' off the ground.

Ellen Calhoun: Right. When I went to look at the plans it was my impression that that was going to sit upon a 15' high platform. As Sue said, one of the reasons that we moved to this area was because we were big fans of Dogfish in Gaithersburg; we used to go about once a week. We were really excited about living close to Dogfish. As a matter of fact, my husband, Chris Mesick, has even named our house Dogfish Vista. That's what our house is known as. We also believe in the good neighbor policy and we realize that you were here first. But, when we looked at our lot, I really do wish that there had been a big sign up, because when we bought our house; when we lived in our house for six months; we could hear crickets and frogs; and we can't hear that anymore. All we can hear is a compressor and the trucks and I'm just afraid that with more wastewater tanks there; it's going to be more trucks. I realize you're going to put another highway in, but it's very upsetting.

Virginia Weeks: It's my understanding, I questioned this before, and there will be no additional compressors outside.

Ellen Calhoun: There's room for more, according to the plan.

Virginia Weeks: I asked you about the fermentation tanks.

Nick Benz: Your question was about on this side of the property.

Virginia Weeks: No, my question was, is there going to be any additional compressors; not necessarily in that location; any outdoor additional mechanical compressors?

Nick Benz: The Mycom screw compressor that supports this BAC equipment is actually located inside the building; what they are calling the compressor is not located on the outside of the building. That is a cooling tower, that's a component of the BAC system. The compressors are indeed inside of an enclosed room inside of the building. To answer your question, there is room for more compression; but that compression is inside of the building; not outside.

[garbled discussion]

Nick Benz: Compressors, yes. Inside there will be additional compression and that's inside of our mechanical room.

Virginia Weeks: Inside will there be any more mechanics, any additional mechanics making noise?

Nick Benz: Yes.

Virginia Weeks: What will that be?

Nick Benz: You need it to support your growing operations, which is...

[garbled discussion]

Nick Benz: That's an engineering assumption being made that that would be over 85. We are acutely aware of what our code requirements are and we will always put equipment in to ensure that we stay at or below those requirements.

Virginia Weeks: I would just like to get straightened out what kind of equipment are you looking at putting out of doors.

Nick Benz: The same types of equipment that we currently have; the cooling tower, yes.

Virginia Weeks: Does anybody else wish to speak?

Chuck Hancock, 100 Sassafras Lane, Chestnut Crossing, Milton: That was stimulating. I would like more detail on precisely what noise generating items will be installed outside of the structure over the six or eight phases of this project. That is how many of what, what they are. I felt that was a little vague for me to understand the impact of noise. Thank you.

David Downing, 103 Sassafras Lane, Chestnut Crossing, Milton: I would like to comment on three things that I heard said, that are a little disingenuous. My new friend from Dogfish Head made the comment that there would be no more noise; and there would be no more odor. This is not actually possible. 100 cubic meters of air venting off of the fermenting tanks is going to produce more odor than 50 cubic meters. It's that simple. It's a question of volume. So as the business grows and they're doing more fermentation, there's going to be more odor. Noise, he said there's going to be more noise. Increase in volume of truck traffic; it has to happen. We notice a lot of truck noise at Chestnut Crossing so there is going to be an increase in truck noise. There has to be. The cooling tower that we're talking about; the BAC unit, and by the way I have been in communication with the people at BAC in Baltimore and in fact, they are quite aware of the noise issues associated with Sam's unit. I don't know the model number; I think it's the 2500 or whatever. Even if they don't have to add another cooling tower, because they are adding additional tanks that require cooling, it's going to have to be running more. These are just simple facts. So I think it's just a little disingenuous to say there's going to be no more noise and no more odor, when it can't help but be the case. Thank you.

Sam Calagione: We never said we weren't going to continue to grow. I said the last time that I was up here that I believed we've earned the right with the history that we have of staying within the law and staying within the codes and you don't have to trust us on that, and I know that you don't, because we get our tests on calls and people come out and test our decibels and we recognize that that is going to be the rights of townspeople and the town to continue to do so; so while we may add additional cooling units outside; there may be additional truck traffic outside; we know that we have to stay within the code and the law and that's what we're doing in this process; is making sure that what we've put in front of the town is within codes and within the law. We understand that you guys wish that we were less loud and as a neighbor, if I had a neighbor that was really loud, I would knock on the door and say, please keep it down, please do what you can to keep it down. As you know, as a result of our meeting we did invest money to put some equipment outside that would reduce the noise. We were not mandated by town code or law to do so; we took it upon own initiative as good neighbors to try and work on that. I said tonight that we are not mandated by code to do further tree activity then we have to, because we are within our decibel readings, but you have our word that we will do that and do it as quickly as we can. At a certain point if a neighbor is frustrated with another neighbor because the grass is too long or they don't like the paint chipping off the wall, there is only so much that they can do until that building or that house has been deemed derelict and it is forced by code or by law to be addressed by the owner of that house. You have our word that we will always be a) within code and within the law, but, b) trying to be good neighbors, as we are by doing more with the trees. Again, I want to remind everybody that we are not under trial for breaking the laws, breaking the codes in the past and, in fact, I invite people, I don't know if it's public record, to go down to the Police Department here in Town or to visit old town records to see how often that cannery was outside of compliance with the wastewater; how often violent infractions happened yards away from where you live. I know that we have done great things for that area to make it a really special place and I'm proud of that and I'm enjoying learning more about everybody's perspective and you have our word that we will always be within the code and the law of what we're doing as we continue to grow.

Mrs. Paragoy, 200 Sassafras, Chestnut Crossing, Milton: This picture is across the marshland; the tree line that is being discussed is at the east end of Dogfish; it is a scrawny tree line with a few large trees and what my grandfather would have called a fence row. We see tanks, old looking dilapidated trucks out of our kitchen window and I'm not sure what time the traffic starts; like the trucks; not the wastewater trucks; but the other trucks. I think they come pretty much very early in the morning. The people living in this house and this house have a right to sleep; now I think it's a wonderful company; and I've heard all these wonderful comments about you are treating your employees and I agree with the growth of the town it's great. When you can walk to work; where they can live where they work; but neighbors also have the right to be able to sleep. Now the natural vegetation is nothing like this diagram. My question is, do you own property to Cave Neck Road? If you do, why can't one of these roads come from Cave Neck

Road into the back of this building, instead of this road being constantly used by the trucks behind the house?

Virginia Weeks: I don't believe that Dogfish Property abuts Cave Neck Road. Cannery Village property does; the housing development does; but Dogfish Head is separate ownership and it does not... Mr. Benz would you care to show her where the borders are?

Nick Benz: Our property line at no point crosses the Round Pole Branch and at no point crosses the edge of Chestnut Properties and Dogfish.

Mrs. Paragoy: I just thought that that would be a solution. I'm just really saddened by the fact that you people in Cannery Village got the best, Chestnut Crossing got the worst.

Christopher Mesick, I live in Dogfish Vista: Sam was talking about saying he could have put a sign up on the property saying "Warning We Are An Industrial Zoned Area. We Are Here First." I wish he had, because one of the gentleman here said, we would have known this if we read our deed and I think I speak for everybody in Chestnut Crossing when we got our deed, we got it at closing and I don't think anybody is going to stop what they're doing and say wait a minute; that wasn't the time. Our builder, unfortunately, told us nothing. When we first moved in I saw this twin towers; I could hear the grain in the hoppers; it's a nice sound; and I appreciated it; but since then the noise level has been amped up and as far as Leland Cypress, I'm sure they're fast-growing, but I think they will be a very ineffective noise barrier; I don't think they will be any help at all. I just think at this point, it is time for Dogfish to become a good neighbor. They are well within code, but within code does not make it neighborly; the sound is still pretty overbearing. We hope that Dogfish will. I like the beer and I know the brewer is going to survive, but we would like it to survive amicably with our community as well as the rest of the town.

Virginia Weeks: Is there anybody else to speak for, against or to this application? We don't usually allow double-dipping, but go ahead.

Dr. Sue Fox: I just have a question for the Planning & Zoning Commission. I know that in 2002 you all approved Dogfish, the whole complex. Then in 2004, you all approved Chestnut Crossing. I just wish at that time something had been done to protect Chestnut Crossing, and you all weren't even on the Commission, well someone was; that's my only comment. I don't blame our builder; I don't blame Sam; I really blame the people that allowed this brewery, that's not going to be a big brewery, next to a housing development worth over \$10 to \$15 million. We have a huge investment in those homes. Most of us are retirement homes and it's going to go down the tubes, if something isn't done about the noise and I just wish that the Planning & Zoning Commission had thought about that when they approved Chestnut Crossing. Perhaps it never should have been approved if it was next to the brewery; because of all the problems that have developed. Thank you.

Ted Kanakos: I just want to address that issue. A lot of times when builders, especially your builder, typical builders come in, they sort of have us at a disadvantage. They're professionals and we're volunteers and it's an ongoing, on the Commission and off the Commission, twelve years, three years, four years, or

eight years. When a builder comes in, he has certain rights also. We heard what the rights of light industrial are; that's what they give us also. There are ordinances which you must enforce. There are things which you must honor. Now obviously, this is something that will go into then next development. There are so many checklists that are getting larger and larger, in every way. It's a shame that this is the problem. They come in and they want a lot to build and the attorneys come in and tell you what you are entitled to and what you're not entitled to. I've seen them stone wall it. The best way is though is to just get along and they are more than reasonable, usually; if you ask the right questions. Maybe they weren't in your case, which is really a shame. Everything I've heard tonight, I don't think anybody in this room wants to see them close or go out of business or anything like that, but the difference here is there is noise and there is odor. Is it more noise or longer noise? What do you do with the odor? It's a rock against the hard spot. I guess after we issue it, you'll find what's going on. It's very confusing and I feel very bad for the folks that are there.

Mary Schrider-Fox: Please lean forward and speak into the microphone because I know Robin will get on him. I just wanted to make a quick comment along these lines of Chestnut Crossing, the residential sub-division, bordering on Dogfish Head. It was on the Planning & Zoning Commission's radar as far as I can tell, simply by looking at some of the documents that are of record from Chestnut Crossing. The sub-division plot specifically says, on one of its notes, and that's something that is recorded at the Recorder of Deeds, the entire public has constructive notice of it because it is of record and available to you; but it specifically discloses that there is a light industrial use that "may have 24-hour industrial operations with attended noise, light, odor, traffic, etc." It specifically identifies Lots 17 through 22 in Chestnut Crossing as being the lots that directly adjoin this particular piece of property. So I think it did come into the minds of the Planning & Zoning Commissioners and of the developer and of the various builders; both at the time when Cannery Village, that Master Plan and LPD was approved, as well as when Chestnut Crossing went in. I'll just simply say that I think the side affect of some people being troubled by noise or odor, that's troubling but it was something that was disclosed; it's of record; and it was simply part of the Chestnut Crossing deal; I think for people who purchased in there. It is something that was a public record and it was acknowledged and dealt with. I just wanted to point that out.

Virginia Weeks: Absolutely. That doesn't preclude us from having a conversation with Dogfish Head about what they might be able to do to help keep the noise somewhat contained.

Mary Schrider-Fox: I agree with that and from the presentation here tonight, it sounds like Dogfish Head is inviting that conversation and in fact, it did this evening, so you're right; there's nothing that stops you from having that conversation. I know the concerns about people purchasing homes in Chestnut Crossing and then dealing with the noise. It was something that was a disclosure. It's out there.

Virginia Weeks: This planning board, at least for the past few years, with some of the Atlantic Avenue developments that may be coming up, it will go on all the

deeds and be noticed that it is next to a cow and pig farm, I believe; because people should be notified and, as Mary said, it was on the site plan; it was there. Anybody else wishing to speak for or against?

Mary Schrider-Fox: I think the public hearing is still open, okay?

Virginia Weeks: Yes.

Bill Kaufman, 111 Sassafras Lane, Chestnut Crossing, Milton: A comment. I think most people are in favor of having this brewery; but we do have the problem in our neighborhood. When it comes to the trucks, is it possible, since you're loading them up in this area to bring them around here now; or in a short period of time.

Nick Benz: If we invest in another phase, we might.

Bill Kaufman: So you're going to be putting this in, eventually? Are you following me on this? You're going to be putting this in; this loop; but right now all the trucks are getting loaded back here, right here and here. Then they go back that way. Why not just come around here at least they would be going out between the parking lot, at least on the other side, as opposed to... It's just a question. It might help a little bit, at least for trucks. Why can't you do it now?

Nick Benz: That's exactly what the intention of Phase 4 and Phase 5 is meant to do; which is to have one way traffic around the facility; trucks come in; trucks go out. It's efficient.

Ted Kanakos: What's the time frame of putting that in? What part of your phase; what part of your master plan; 1 year, 5 years, 10 years?

Nick Benz: That's Phase 4 and Phase 5; we will do those in conjunction with each other.

Ted Kanakos: Time?

Nick Benz: I couldn't tell you. When the time makes sense from a business perspective. This proposal is probably an additional \$2-\$2.5 million, roughly. We simply can't afford it; it would be great if somebody mentioned about this isn't done with TARP funds. We have to prioritize the expansion that makes business sense for us.

Ted Kanakos: We're not really sure it's open ended.

Nick Benz: I would like to point out that it doesn't change anything. The loading docks are still the loading docks; the trucks are still the trucks; and, we're still within the code and we're still within the law.

Ted Kanakos: We know that; but we're trying to get the trucks to go out a different way.

Virginia Weeks: We're just trying to look at ways of being neighborly. If you could bring trucks in through the parking lot and have them go out through the parking lot; it certainly shuts down on truck noise.

Ted Kanakos: I thought that was the original plan.

Nick Benz: I suppose the only comment I have is the faster we get to Phases 1, 2 and 3, the faster we expand capacity; we make more money and we can afford Phases 4, 5, and eventually 6, 7 and 8. These can't happen all at once. It simply can not happen; I can assure you. I wish a representative from Citizens Bank was here; they would assure you of that.

Dr. Sue Fox: It could be the right person

Nick Benz: That doesn't solve our problem.

Dr. Sue Fox: It solves ours.

Nick Benz: It doesn't solve our problem.

Virginia Weeks: Okay, we'll discuss it later. Are there any other speakers?

Michael Filicko: Dr. Fox, like you, I am a teacher, although not on the collegiate level. Still a teacher, nonetheless; you have a curriculum to follow, as do I. What I have to follow is in the zoning regulations and there maybe things in there that I am very much for and maybe things that I am against, but they are the regulations of the town; if someone comes in and they are within those regulations, I don't believe that we have the right to deny.

Virginia Weeks: We can modify.

Mary Schrider-Fox: For the record. Mr. Filicko, you are on the right track there. That is you are correct, the zoning ordinances those are your guides. Much has been said tonight about the fact that Dogfish Head is in a light industrial zone; certain things are permitted in a light industrial zone. If they are not acting outside of the ordinances which are Milton Town law and they are asking for things that are permitted by your ordinances, then those things should be allowed. Now there are nuances, they are here for a reason, because you are allowed to look at the site plan; you're allowed to look at the landscaping and how things fit together; that's why they are here; is to present their vision to you and see what you think; but at the same time you are required to go by the letter of the law and if something fits there, like you said you might like some of the things in the town code and you might not like other things in the town code; but it's not really for you to decide whether or not to change them here to tonight. You have to try to apply the zoning ordinances that you have.

Virginia Weeks: Don't get me started on heavy industry; it's going on Route 30. There being no further speakers I declare the Public Hearing closed at 9:10 p.m. Thank you all.

6. Business Portion – Preliminary Site Plan to the Proposed Office Expansion of Dogfish Head Brewery

Virginia Weeks: Neither of our consultants is here this evening, so what I am going to do is I'm going to read through the engineer's report and we will discuss it as we go along. I'll do URS first; it came in your packet. It's dated March 20th. Phase I Preliminary Site Plan, Under RE – Requiring listing of the zoning districts within 500' of the property; properties to the north in Chestnut Crossing and properties to the west in the Village Center Boulevard are not identified; we need the required height and existing of the proposed structures be identified; and plans do state the maximum structure height, but do not state the actual structural heights. The required location design and size of all signs and lighting facilities; signage and lighting plans are required. Are you going to have any other lighting or signage; are you changing any of that on the new design?

Sam Calagione: No. Code required signage, like stop signs, or code required lighting as in doors.

Virginia Weeks: Do we need to have a site plan that requires all right of ways and easements be identified? I'm not sure that's been done on your site plan. You

should verify that there is not a right of way or utility easement on the north side of the parcel 52.01, the Dogfish Head property and Chestnut Property in the area of the fence where the water and the sewer line are located. If there is an easement, then you need to have it in there. And you need to locate and describe the number of permanent monuments. We will need that for the final site plan. She also says that storage buildings will be screened wherever possible. Additional buffer plantings should be provided along the north of the property towards Chestnut Street; additional buffering will not be required at this time along Village Center Boulevard due to the additional phases. Be sure the owner and engineers signatures are provided on the towns' plans when you come back for the second final reading we need that. The Applicant would need to confirm that the sidewalk is continuous from Chestnut Street to the north entrance into Dogfish Head parking lot. I would like to see that on the site plan. The building elevations, development standards and evaluating the LPD; gross modified the development standards, Planning & Zoning shall consider and base its findings upon the ability of the proposal to satisfy the following criteria: landscape and buffering of buildings; parking; loading; and storage areas and architectural design of buildings and harmonious use of materials; unique characteristics of the subject property; unique characteristics of the proposed uses; arrangement of buildings; and open spaces; they relate to various uses within or adjacent to the plan development; visual impact of the plan development upon the surrounding area; public improvements proposed in connection with the plan development; preservation of the unique natural features of the property; the public benefit derived by allowing the proposed alteration of development standards. Does the board wish to address any of those? I agree with your presentation, by the way. This is a brewery; it is not a housing unit and it should look like a brewery. The Applicant's elevations need to be determined by whether this proposed building meets the character of the neighborhood; the structure design is nice; but not sure it is compatible with the existing character of the town. A discussion should take place on the elevations that are proposed and the Applicant should justify the design to the Commission. Does anybody have a problem with the design? Now we get to the Engineer's Report. The Engineer wants you and I agree, the requirement is that you need an integral curve and gutter of type 3, not type 2. I don't know if type 2 is your swail type or not, but type 3 is what the town requires. The length of the yellow painted fire curb was something he brought up. The water mains, the Engineer is of the opinion that the water mains along the northeasterly property line should provide sufficient water for the site. I'm sure you wouldn't build unless you were sure you had sufficient water. On sheet 201, the sidewalk to the entrance is labeled to be 5' wide. That labeling will need to be changed, because I think between the sidewalk and your entrance it's probably wider than 5'; because it shows the sidewalk in front of the building as being 5' and they are definitely not the same size in the site plan.

Sam Calagione: We will correct that.

Virginia Weeks: On the plant side, shall be in accordance with Section; that means they have to be in accordance with a minimum of 7' of overall height. And you need to supply us with the landscaping plan; we have the right to ask for

that; and I believe you will do that. On the back of this, _____ 101, it doesn't show a whole lot; it shows some trees in the front; but it doesn't show the amount of trees that you had on your projection; it had a lot more trees on the projection; if you go back it seems to me I saw...

Sam Calagione: Actually two items, 7 and 8, discuss landscaping. We agree to additional landscaping along Village Center Boulevard. We don't see the need for additional landscaping between the building and the parking lot, which we think they are asking for. That would be the area between the large parking lot... We think it's a very pleasing location and landscaping will just cover the building and not really serve any purpose for any neighbor.

Ted Kanakos: That's just along flat side of it.

Sam Calagione: Correct; and furthermore it would confuse all customers and employers from deflecting? to the parking lot as to what the main entrance would be and we want them to be attracted to where the entrance actually exists.

Virginia Weeks: The main entrance is going to be right here and that's another thing the parking lot, you really have to get your employees and everybody to park in the parking lot as opposed to on the side. As other commercial buildings that are being built, a lot of people are parking now on the Village Center Boulevard.

Nick Benz: We've already taken steps to do address that; we've sent out internal memos that direct all employees, especially now during construction we disguise it under the phase of the community center going in across the street and the permit that we've been granted to begin renovations in the existing building, it creates an unsafe environment and safety is a huge concern of ours for our employees. We have already directed them to use the employee parking lot in the back or this main parking lot around here.

Virginia Weeks: I also understand that in the future when everything is built, visitors to people who live in the area will use this parking lot.

Nick Benz: We agree with you 100%.

Robin Davis: I spoke with Bob Kerr because I knew he wasn't going to be here today and he went over some of these comments he had and when you're talking about number 7, about additional landscaping along Village Center Boulevard, his concern was when you come in off of Chestnut Street, you basically see the whole side of the building; I don't think the parking area he is talking about is the new parking area; it's what is on the northerly side; actually where the trucks are going in and out of the brewery now; somewhere in that area.

Virginia Weeks: I don't know that we can correct that problem right now, Robin, the reason is that the road that is there now is going to go away and the Brew House is going to be in its place.

Robin Davis: Bob is bringing this up now basically so that he can address them to bring them to your attention, in case there is something that can be done.

Nick Benz: As long as you are not proposing blocking the view of the existing end cap that the Brewery has; that's why we spent a lot of money to showcase...

Sam Calagione: We think you're talking about here? Is that correct?

Robin Davis: Yes.

Sam Calagione: And not across here.

Robin Davis: No, not across the front of the building.

Sam Calagione: We have shown the Leland Cypress here; we can easily move these so that they bend around and intersect here so that they cut off the view and that would be around where this roadway would be.

Virginia Weeks: But that's not really part of this Phase that we're reviewing now, anyway.

Nick Benz: Correct.

Virginia Weeks: However, would you turn the board around, please? I would like to see the other side. A whole lot more trees there, then on here.

Ted Kanakos: Is that a planting schematic; with the trees in the front?

Virginia Weeks: Yes. There's nothing here between the ____ and the ____; you've got all the...

Bob McLeish: That's actually on the next plan which is the fermentation tanks. I'm sorry; it's actually two different phases, when you look at it. The plantings that you see here are directly related to the office addition; the Phase 2 side of it takes into account that landscaping. They're almost two separate plans when we looked at it; the way that we had to submit it. That landscaping is there, it's just on two separate plans. It's on the master plan; but on your plans that you are reviewing them now; they are separated.

Nick Benz: And furthermore, we are doing 1 and 2 together; regardless of whether you stipulate that or not; that's the right business decision to make. We're okay if you force that.

Robin Davis: His other concern was what we brought up; the majority of the employees. He would like them to stay off the parking lot on the Village Center Boulevard and you said you have addressed that. Those were his two main concerns, the tree height that wasn't 7' and the parking of the employees. The others were the same that Debbie had talked about. The signage, the lighting; but he said there would be no additional signage and the lighting that would be put on the entrances of the building.

Virginia Weeks: When you come back we will need to see whatever signs are going on and whatever outside lighting you are going to have; a schematic of the area of where the lighting would be going. Bob suggested that you might want to remove open space area from Section Number 12. On the sheet see 001 on the site data total open space is listed.

Nick Benz: Agreed.

Virginia Weeks: This probably needs to patient size closed lighting???? is not... The site plan is given... Final site plan shall be submitted to the town for review and acceptance. Approvals of all necessary outside agencies also shall be submitted to the town. Required approvals include, but are not limited to DNREC, Sussex Conservation District, Tidewater Environmental Services, Fire Marshall's Office. Only after the above items have been completed will your request for final site plan approval be submitted and, if verified, complete, complete, shall be placed on the agenda.

Nick Benz: We agreed with that, but one clarification. For this phase, we do not need DNREC approval; they do not have jurisdiction over the actual beer producing program. They do have it over the waste discharge that we've talked

about and we are having the permit, so we would like that stricken. We do already have Sussex Conservation District approval for stormwater management. Virginia Weeks: You do only need to bring in the things that are required for this phase.

Nick Benz: I guess since what's occurred in here for the record to make that clear; and we also don't believe that we need Tidewater's approval, because we are not discharging.

Virginia Weeks: I'm just giving you warning, that you need to take that up with Robin. Are there any other questions from the board? Is there any more discussion?

Louise Frey: Because you are giving away sample of your product, do you have to get any kind of license from the State for that?

Nick Benz: Delaware State law allows for four 3-oz. samples as part of a state law.

Virginia Weeks: But aren't you running a small café, right?

Nick Benz: That is down the road; out of the gates; this is a tasting room only; and when and if the restaurant portion of that space is enacted, it will follow Delaware State law, which governs that. We will need an alcohol license at that time.

Louise Frey: Can I get back to the parking then? The Clubhouse is using parking area; if you have the restaurant in the future; that's going to be using the parking area; plus your manufacturing facility; is there going to be enough room? I guess the parking depends on how big the restaurant is?

Virginia Weeks: Mr. Dyer has plans to put all sorts of commercial buildings up.

Nick Benz: It's my understanding that he is looking to sell those at this point.

Louise Frey: That's still in the one parking area; the designated area; that was approved for the clubhouse. Didn't we approve that for the clubhouse, Robin?

Robin Davis: Yes. The parking area is for the clubhouse, too; but the restaurant would be a future phase. But parking requirement for that alone with the other will have to be a workout and figured if there was enough parking at that time; if you decide to do that as a restaurant, yes. Right now it looks like it is determined that there is plenty of parking for what they are doing right now; but if anything else is added, then it will have to be justified that the parking requirements are going to have to be up by whatever per restaurant parking is needed.

Mary Schrider-Fox: I just wanted to add the comment that as they are going to do each phase, if there are 9 or 10 phases, I've seen a couple of different numbers on here; they are going to have to come back at each step along the way to this commission and get permission and get their site plan reviewed and comply with any and all applicable laws at that time. Later on down the road they are going to have to deal with that parking issue and a restaurant, if they want to do that.

Louise Frey: It doesn't seem like a lot of area.

Ted Kanakos: You say you will be selling retail, also.

Nick Benz: Retail is when the tours begin and end, and they're permitted by State law four 3-oz. samples; we have T-shirts, hats, pint glasses.

Ted Kanakos: Can you sell those in a light industrial area; I thought light industrial was just to make product for distribution.

Nick Benz: These are just accessories.

Ted Kanakos: These are accessories. Then it's okay.

Mary Schrider-Fox: I want to weigh in on that. One of the members of the public came up and did mention that to me, and so I looked it up and spoke with Mr. Dunkle about it; and it is a permitted accessory use. In Section 4.7.2.b it says, Accessory Uses and Structures customarily incident to any of the uses mentioned to any of the uses mentioned for this use district and on the same lot, are permitted. So a natural part of the brewery and having tours of the brewery and things like that would be selling their t-shirts; so I think that squarely fits into an appropriate accessory use for this type of facility.

Ted Kanakos: You won't be selling beer out of there; six-packs.

Nick Benz: We do sell beer, and that's permitted by state law. Correct.

Ted Kanakos: Do you sell root beer?

Nick Benz: At the pub, we do. Birch Beer.

Virginia Weeks: Are there any other questions or comments? No, then I will ask for a motion.

Louise Frey: I make a motion to approve the application that Dogfish Head is submitting with comments and recommendations as stated from Bob Kerr and Debbie Pfiel, as incorporated by reference.

Ted Kanakos: Seconds.

Virginia Weeks: Is there any discussion of the motion?

Greg Moore: Does it include the clarifications that we also made when you asked us the questions about the two letters. Is that included in your motion?

Louise Frey: Yes it was. I said it was in reference to.

Virginia Weeks: Let's have a vote.

Michael Filicko

Yes

Ted Kanakos

Yes

Louise Frey

Yes

Virginia Weeks

Yes, and I approve it for the reason that I think it is a wonderful asset to the Town of Milton. I have no problems with the design. A brewery is a brewery, is a brewery, is a brewery; and this particular phase is not intruding at all. It is a vast improvement.

Nick Benz: Thank you very much.

Virginia Weeks: I have a question for the Commission. It's 9:45 p.m. We don't have the Town Engineer here; you don't have Mr. Grieg here; what would it mean to you, because the others are so testy and have so much engineering in them; I would certainly be more comfortable if we had the Town Engineer here; plus Mr. Grieg is not here who will be doing the second part; do you want to continue? What do you want to do?

Ted Kanakos: I would like to see more members of Planning & Zoning here.

Virginia Weeks: There will be two more the next time.

Robin Davis: But you will have those; but Mr. Steele has not been involved in any of these conversations before.

Virginia Weeks: But we will give Mr. Steele a tape.

Robin Davis: That's fine, but you'll end up with Mr. Grieg; you'll actually end up with one more with only one more member.

Louise Frey: Mr. Grieg hasn't heard this either.

Robin Davis: He was here earlier.

Louise Frey: He heard the comments; is that good enough?

Mary Schrider-Fox: I guess I have a question. I know that Bob and Debbie both sent in their comments about each of the applications here tonight. What, if anything, are you finding to be absent from those comments that you think you need additional assistance on, is my question.

Virginia Weeks: I personally need Bob to give me definitions. When I say, I want to know if I want to say, I want somebody fairly neutral in this situation, I want to say what about soundproofing; what about this noise; why can't we do this; what about trucks; what about swales; especially the pond in the back; and about relocating the trees; it's one thing that they are willing to relocate the trees on the area of the residents of Chestnut Crossing, but we don't know that Chestnut Crossing is going to allow that. I would prefer to have Bob here for. I would rather delay until the third Tuesday in April. It would not be next month or anything.

Nick Benz: Can I address that? Phase 1 and Phase 2, to us, are so integral to the exact same position; and Phase 2 is the fermentation tanks is the only one that truly alleviates our most immediate needs. It has no noise; the gentlemen that spoke about odor; air venting is to the inside of the building; it is not to the outside of the building. These are simply outdoor process; in/out tanks that have no engineering required. Every day we can not put these tanks in we lose \$82,000 of revenue if there is a delay of revenue; 3 weeks times that \$82,000 is a massive impact on our ability to hire jobs.

Virginia Weeks: If we were to address those fermentation tanks tonight; what would be the turnaround time that you would be back for the May meeting?

Nick Benz: I would feel perfectly comfortable addressing that phase now and tabling the additional waste tank.

Virginia Weeks: When would you be bringing back the final reading for the May meeting?

Greg Moore: We're working to bring both of those phases back as quickly as we can. We have to receive our letters of approval from agencies; we have our approval from Soil Conservation Service for Stormwater and Sediment Erosion Control; we do not have it from the Fire Marshall; in fact, we haven't gotten the review yet; so until we get that, we can't resubmit. So I can't tell you exactly when we will be back, but I can tell you that Dogfish Head is telling me to provide that documentation to you, as soon as I possibly get it from the Fire Marshall.

Virginia Weeks: The reason I'm asking is that we don't anything on the agenda for April; you would be the only thing on the agenda for the third Tuesday of April; to go ahead and do all the rest of it; then we would come back with the second reading in May; the final reading.

Greg Moore: And I think that's appropriate for all phases beyond Phase 2; but there's an engineering issue with Phases 1 and 2 that are integral, because the foundations and the building will be put in and the tanks must be put in at the same time and if we break Phase 2 from Phase 1 it creates a tremendous engineering problem.

Virginia Weeks: Robin, are they going to be able to get on the April agenda for this final site plan?

Robin Davis: They can get on April, but Greg said he won't have Fire Marshall approval.

Greg Moore: If we don't get approval for the tanks for Phase 2, we can't even seek to get on the agenda for the final, because we wouldn't have the preliminary.

We need the preliminary for Phase 2 to actually even submit for the final.

Virginia Weeks: If we did preliminary for the rest of the Phases on the third Tuesday of April, that means you have everything would come back in May. I don't think that even if we do preliminary tonight, you can get secondary in, because we're not having a meeting in April.

Greg Moore: What I'm saying is that we can't separate Phases 1 and 2 from each other. They are integral to each other.

Virginia Weeks: We are not having another meeting in April. Our next meeting is in May. Our next meeting is in May. There is nothing on the agenda for May.

What I'm saying is, let us go ahead; we will have another meeting at our regularly scheduled time in April to do the other Phases; then you can bring all secondaries in in May. No matter what, we're not having another meeting. You can't get secondary's here that fast.

Robin Davis: The problem is that we're discussing really the time frame, too. If he doesn't get preliminary until the middle of April, then he can't even start on his final.

Greg Moore: Correct.

Robin Davis: So he's totally tied up until he gets preliminary.

Unknown Speaker: We have prepared a memo that responds directly to Debbie Pfiel's and Bob Kerr's comments on Phase 2; if that would help you.

b. Revisions To A Portion Of The Portion Of The Master Plan To Cannery Village

Virginia Weeks: The next thing on the agenda is revisions to a portion of the portion of the master plan to Cannery Village. We are going to table that to a later date.

Ted Kanakos: I make a motion to table the Master Plan to a later date.

Louise Frey: Seconded.

Virginia Weeks: All in favor. Motion passed.

c. Preliminary Site Plan for the Installation of the Fermentation Tanks

Ted Kanakos: Why weren't both of these issues just Phase 1?

Greg Moore: We could actually more efficiently and faster submit to the agencies because of the tanks did not have the same issues with the sediment erosion control and stormwater management as the building did; and same with the Fire Marshall; so they are just different.

Virginia Weeks: Debbie Pfiel's comments: all of these things are required: Planning and Technical: The narrative required listing of the zoning districts within 500' of the property; all of these things were requiring a part to be incorporated in the motion. We need to have the height of the existing proposed structures be identified and plans state the maximum structure height, but do not state the actual structure height. In other words, we need a drawing of the tanks with all the elevations and heights. Do you know which tanks you are buying?

Greg Moore: Yes, the information on the presentation was that they were 46' high and we had that in the power point.

Virginia Weeks: Unfortunately, that does not become part of the written record and I want this for the written record; so would you please submit also the schematic that has an advertisement of those tanks.

Greg Moore: We will add those tank sizes and specifications on the drawings.

Virginia Weeks: And the look of the tanks; what it looks like. Requires the location of all on-site improvements, including streets, drains, culverts, retaining walls, fences and easements, public or private; the foundation area around the tanks is not indicated in the retaining wall enclosing the tanks; it should be interpreted as a wall to capture any potential spills. Is that the use of the wall?

Greg Moore: We are putting a one foot concrete curb around the entire tank and we will show that and then we will show the decorative screening that we referred to.

Virginia Weeks: The plan shall take the slab material and show all drains leading away from the tank enclosures. We need to actually have a schematic of all the mechanics out there. We require the location, design and size of all signs and lighting facilities. I doubt that you have those.

Greg Moore: No.

Virginia Weeks: Will there be any lights? You're going to have security lights for the evening, right?

Greg Moore: Code required lighting, only? Specialty lighting. We're not having lighting that will illuminate the tanks.

Bob McLeish: There's no code required lighting for the tanks.

Greg Moore: At doors and the bottom of stairwells, etc.

Virginia Weeks: This is Phase 2 that we're talking about.

Greg Moore: Correct. If they're adjacent to a double set of doors, it serves as our current entrance.

Virginia Weeks: You'll show the lighting on the plan.

Robin Davis: There will be no lighting on top of the tanks or anything like that.

Nick Benz: There will be no lighting on top of the tanks, with the exception of code required indirect lighting as part of the cat-walk system that for safety purposes illuminate for employees. Believe me; we don't want to highlight anybody's ability to climb on, near or around these tanks.

Virginia Weeks: Also, the number of permanent tanks and their location. We will discuss the fence; we want to have a drawing of the fence.

Greg Moore: The fence around the tanks?

Virginia Weeks: The fence you're going to build.

Greg Moore: You're speaking of the fence around the tanks. We'll show that in relation to the curb, so you'll see them.

Virginia Weeks: Also, we would like a drawing that shows what it is going to look like.

Greg Moore: The material.

Virginia Weeks: And go on with a statement that that is the material that is on the building and that is why it is the material, and so on. And if it is facing south. And please provide the height and the style of the fence to be used around the tanks, as well as the location on top of the 1' retaining wall, in front and behind. I believe that the fence can be 8' high. Robin is that 8' high on top of the 1' retaining wall? Or is that 8' from deck? You see, this is why I need the engineer.

Robin Davis: I think it is from the curb to the ground.

Mary Schrider-Fox: It's above grade. Its Section 7.6.4 says Fences and Side Rear Yards shall not exceed 8' in height above grade. Any fence or wall shall not exceed 8' in height.

Virginia Weeks: That's why I'm asking; because Debbie said provide the height around the tanks, as well as the location on top of 1' retaining wall. So it would have to show that's on top of the retaining wall.

Greg Moore: It will be a 7' fence sitting on top of the 1' concrete curb.

Virginia Weeks: So it's not going to be higher than 8'. Be sure the owner and engineer signs the plans, please. Does anybody have any reason that they would like to modify anything that these gentlemen have?

Ted Kanakos: The 1' area that you're building around the tanks to contain if there is a leak; is there drainage out of that or would that have to be pumped out?

Greg Moore: There is no drainage that would have to be pumped out.

Ted Kanakos: And that's sufficient to take the volume of one tank that might split or leak?

Nick Benz: Any one tank which is a tank within a tank has 3,500 cu. ft. This retaining wall provides 4,500 cu. ft. approximate +/- 50.

Virginia Weeks: The Applicant is requesting to construct 18 critical fermentation tanks along the west wall of the existing building; the zoning is LI-1 and Light Industrial permits a building height of 75', however, these tanks will only be 46'. No information was provided on the height of the tanks in the ring and they appear to be much taller than the building and they appear to be 50'.

Nick Benz: We will provide you a spec on the tanks. They are 46'.

Virginia Weeks: I believe the engineer would want a drawing showing the specs and the thickness of the cement and the retaining wall, and all that. The Commission asked the Applicant why this is the only location for the tanks; you have answered that in your presentation. If the contents pumping out of the tanks; could they not be located in the northeast corner of the building near the existing propane tanks; and what future expansion the warehouse is considered. Would you like to address that as to why you didn't consider that?

Nick Benz: What number are you reading from?

Virginia Weeks: Number 3.

Mary Schrider-Fox: I think they already addressed that in their presentation; that the tanks were located in the specific place they were as part of their flow.

Nick Benz: It just connected from our brewery process and we can't move them.

Louise Frey: Could you provide some screening around the propane tank? It's not part of this, even though they are existing; it's not very pretty.

Virginia Weeks: They're going to do a lot of work back there.

Nick Benz: The propane tanks are these and there are coding requirements that mandate they be a number of feet away from the building and that is the closest location.

Virginia Weeks: How far are they from the house on the next lot?

Nick Benz: That's not what we're dictated by.

Louise Frey: Can you put a fence, at least on the other side of the property so it can't be seen?

Nick Benz: There is a fence here; the entire length of this property line is a white vinyl covered fence.

Louise Frey: It is there now?

Nick Benz: It is there now put up by Atlantic Crossing.

Louise Frey: I must have missed that. All I saw was the ugly tank.

Virginia Weeks: It has to be so many feet away from your building?

Nick Benz: So many feet away from our building. We have a high pressure gas line that runs underneath from both boilers underneath.

Robin Davis: That was actually looked at at one time because I think there was a complaint from a resident that said that people were smoking out there by the tank. They found cigarette butts out there by the tank.

Nick Benz: And I may not have represented that properly before; it's not that we don't care about the proximity; we're actually within code; if you take any measurement of any structure at the location of these tanks, they are far enough away from every resident's location and all our own buildings.

Robin Davis: The Code Enforcement Officer did check with the gas company and they said they had to be a certain amount of space away and they were within code.

Virginia Weeks: We already discussed the lighting. There appears to be construction in three phases and what is the timeline for the three phases? This is a good question. With all the screening and landscaping be completed as part of Phase 2A?

Nick Benz: The answer is no; and the reason for that is it is a yes/no answer. I'll start with no and I'll get to yes. There are 18 tanks in total. The first 6 is what we're putting in, because simply that's all we can afford right now; they will be phased in groups of 2 in future locations; the top 12 tanks are at a 5' elevation difference from the bottom 5 tanks; so we will provide the fencing. There will be 2 separate fencing systems that is part of this. We will provide what is necessary for the top 12 all at once, even though we are only putting in 6 and when it comes time to put the bottom 6 in, we will address those. Otherwise there is a fence screening nothing.

Virginia Weeks: The landscaping shown, the code requires that all these trees all have to be 7' tall, as they are planted.

Greg Moore: We're fine with that.

Virginia Weeks: It also required that 2-3" circumference of each tree, which makes them much healthier. Any bushes that you plant have to be at least 2' tall. As far as landscaping along Village Center Boulevard, I don't know that we should look at that now, because it will only be ripped out later during construction of the Brew House.

Nick Benz: Along Village Center Boulevard we are addressing landscaping, that's this road here. That's all in the area of where this phase is here is mature landscaping; as I said in my presentation, we don't want 5 and 6' trees; we want this to be where people show up and it looks like it's been there for 10 years. We want a mature, well landscaped show piece for our visitors and our guests to arrive.

Louise Frey: I think your neighbors want that too.

Virginia Weeks: I think some of the concern was also further up where the road is now.

Nick Benz: The end of that comment goes back to the same comment as before, where they are asking along this road and we don't feel that makes any sense for us. It confuses the customer.

Virginia Weeks: So later on on the other side where the Brew House is built, we would like to see additional landscaping up there.

Robin Davis: That can be done during that phase. That was discussed. It was the same comment that Bob had on the office; that landscaping would be done later.

Virginia Weeks: No new signage was shown on the drawing. I assume there will be no signs on the tanks. Right?

Unknown Speaker: Identification only or codes; stop signs, etc.

Louise Frey: When you come in is there a sign that says Dogfish Head?

Unknown Speaker: There is actually a sign in brick that says Dogfish Head.

Nick Benz: Right at the entrance here, one on Gene Dvornick's side of the road and one on the vacant lot's side of the road on our property, that are just brick flanked monuments that have our initials on them. The only other existing sign we have is when you hit this point of the Brew House in front of the well house, it says tours, visitors and guests, this way; trucks, this way.

Virginia Weeks: There is no new additional signage?

Nick Benz: Correct. The only signage would be for code required purposes to get people into the actual parking lot.

Louise Frey: For employee parking.

Nick Benz: For employee parking so that they don't stop here, we want them to keep continuing around and hit the parking lot.

Virginia Weeks: The existing water mains in the village should provide sufficient water; the Commission may wish to ask the Applicant why this is the only location for the tanks.

Robin Davis: This is the same as number 3.

Virginia Weeks: The Applicant should be asked what provisions have been provided for leakage or failure of tank. Asked and answered. The Applicant should be asked if there is any venting of air from the tanks and if there is a need for any air permits.

Nick Benz: All venting is done through the inside of the facility. There is no air venting outside.

Ted Kanakos: All of this concern with odor. What part of the process is generating odor?

Nick Benz: There is no odor associated with the fermentation. The odor comes from the Brew House side, when you mix the grain with the water; it makes the smell of bread.

Ted Kanakos: So it's a yeasty smell, like a bakery.

Nick Benz: Making bread is a fermentation science.

Ted Kanakos: Now the wastewater discharge; is that bacteria loaded?

Nick Benz: It is spent yeast, spent grains, and residual sugars that are undesirable from the brewing process.

Ted Kanakos: It is all inert then.

Nick Benz: It is all biological. I call it diluted water, because that is exactly what it is. The filtering materials used by hog farmers to fight tape worms in their stomachs, the grain goes to local farm fields and the cows eat the grain and we, by way of slaughter, slaughter them, serve them in our restaurant as grain fed beef. It's an ecological circle there.

Virginia Weeks: How will the tanks be placed; is a crane going to be necessary; if so, where will a crane be set up; how often will a crane be necessary for maintenance?

Nick Benz: A crane is never necessary for maintenance purposes. Once the tanks are in, they're in. We have sufficient access. The first six tanks are going in with a crane set on the existing U-shaped fire turn around before it is taken out; and relocated per the Fire Marshall's office; the remaining tanks will be placed by cranes and trucks on this road and this road.

Virginia Weeks: You're going to set the first one on the existing fire lane.

Nick Benz: The first 6 tanks are located here; which are not in the existing fire lane; but the crane will be set up in that fire lane; but after it is no longer designated as a fire lane, per the Fire Marshall.

Louise Frey: How long a process is that?

Nick Benz: One day.

Virginia Weeks: It is recommended that a preliminary approval be given that a condition be made that all the site work shown on Phase 1, proposed office expansion, be provided with this approval. This will ensure that the structures, curbs, and sidewalks deem that the offices are not constructed.

Nick Benz: We agree.

Virginia Weeks: The site plan is given preliminary approval. The Applicant should be informed that the construction drawings and final site plan shall be submitted to the town with all the required outside agency approvals.

Nick Benz: Agreed.

Greg Moore: One clarification: The same as last. Since the Conservation District and State Fire Marshall...

Virginia Weeks: Robin will let you know that rule.

Mary Schrider-Fox: I'll just add the comment. I think it would have been better for Bob to have probably said any and all approvals that may be required,

including but not limited to... He gives that laundry list to try to cover all the bases, in case you forget them.

Virginia Weeks: Are there any other questions from the Commission? May I have a motion?

Ted Kanakos: I make a motion that we approve the Phase 2 Dogfish Head Brewery, pending all of the comments submitted by our engineers, Bob Kerr and Debbie Pfiel, and they be incorporated by referenced into this motion, as well as all other comments.

Michael Filicko: Seconded.

Virginia Weeks: Any discussion of the motion? Let's have a vote.

Michael Filicko	Yes
Ted Kanakos	Yes
Louise Frey	Yes
Virginia Weeks	Yes.

Motion passed.

For the next two phases, I don't think it's going to be quite so easy. Maybe you could get together with the folks at Chestnut Crossing and figure out some way to increase that buffer. Are there any other questions?

d. Installation of Process Wastewater Storage Tank

Ted Kanakos: I make a motion to table Phase 3, the Installation of Process Wastewater Storage Tank until the next scheduled meeting.

Michael Filicko: Second.

Virginia Weeks: All in favor. Motion carried.

7. Adjournment

Virginia Weeks: We need a motion to adjourn.

Ted Kanakos: I make a motion to adjourn.

Louise Frey: Second.

Virginia Weeks: All in favor say "Aye". Meeting adjourned at 10:18 p.m.